



Excellence through inculcating Values



Annual Report 2023 - 2024

# Rapicut Carbides Limited

Since 1977



Tungsten Carbide Toolings *for*  
**All type of Industry**



**Rapticut**

Since 1977

Industries  
**We Serve**

Metal, Mining & Construction  
Oil & Gas, Energy & Power  
Automotive & Railway  
Defence & Aerospace  
Agriculture, Food & Feed  
Chemical & Pharmaceutical  
Electric, Electronics & Medical  
Paper, Printing, Plastic & Glass



[www.rapticutcarbides.com](http://www.rapticutcarbides.com)

## BOARD OF DIRECTORS

**Dhananjay D. Kanitkar**  
Chairman, Non-Executive Director

**Abhishek V. Gami**  
Managing Director

**Shruti A. Gami**  
Non-Executive Director

**Kishore D. Sharma**  
Independent Director

**Atul R. Garg**  
Independent Director

**Nrupang B. Dholakia**  
Independent Director

## MANAGEMENT TEAM

**Vinay C. Sura**  
Chief Financial Officer  
(up to 31st may 2024)

**Chetan N. Nayak**  
Chief Financial Officer  
(w.e.f 1st June 2024)

**Komal P. Soni**  
Company Secretary &  
Compliance Officer

**Sanjay Kumar**  
Deputy General Manager  
(Sales & Marketing)

**Balaram D. Markad**  
Senior Technical Advisor  
(Plant & Operations)

**Kirit S. Dave**  
Vice President  
(HR & Administration)

**Chirag Santosh Divate**  
General Manager  
(Sales & Marketing)

## REGISTRAR & SHARE TRANSFER AGENTS

**Link Intime India Private Limited**  
C-101, 247 Park, L B S Marg,  
Vikhroli West, Mumbai- 400083.  
Tel : 022 49186000 / 49186270  
Email ID : rnt.helpdesk@linkintime.co.in  
Website : www.linkintime.co.in

## STATUTORY AUDITORS

**K C Mehta & Co. LLP**  
Chartered Accountants  
Vadodara.

## REGISTERED OFFICE & WORKS

**Rapicut Carbides Limited**  
119, GIDC Industrial Area, Ankleshwar - 393 002.  
Tel / Landline : (+91) 7573022016 / 7622002203  
CIN : L28910GJ1977PLC002998  
E-mail : investors@rapicutcarbides.com  
info@rapicutcarbides.com  
Web : www.rapicutcarbides.com

## BANKERS

**State Bank of India**

# Contents

- 1 Notice
- 16 Board's Report
- 25 Management Discussion & Analysis
- 31 Secretarial Audit Report
- 34 Auditor's Report
- 44 Balance Sheet
- 45 Profit And Loss Account
- 46 Cash Flow
- 48 Notes to Accounts

## NOTICE

### 47th Annual General Meeting

NOTICE is hereby given that the 47th Annual General Meeting ('AGM') of the Members of Rapicut Carbides Limited ('Company') will be held on Saturday, September 28, 2024 at 12.00 P.M. IST through Video Conferencing (VC) facility or Other Audio-Visual Means (OAVM), to transact the following businesses:

#### Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements including the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and Cash Flow Statement for the Financial Year ended on that date, along with reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Shri Dhananjay Digambar Kanitkar (DIN: 03523774), who retires by rotation and being eligible, offers himself for re-appointment.
3. **Revision in remuneration of Statutory Auditors of the Company:**

To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution.

**"RESOLVED THAT** in furtherance to the resolution passed by the Members at the Annual General Meeting held on September 28, 2021, with respect to appointment and remuneration payable to the statutory auditors of the Company and pursuant to provisions of Section 142 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force), and recommendation of the Audit Committee and Board of Directors, approval of the members of the company, be and is hereby accorded for the revision in remuneration payable to M/s K C Mehta & Co., LLP (Formerly known as M/s K C Mehta & Co.), Firm Registration No. 106237W, Chartered Accountants, Vadodara up to Rs. 1,50,000/- Per Annum for Yearly Audit and up to Rs. 50,000/- Per Quarter for Quarterly Audit plus applicable taxes, travelling and out-of-pocket expenses, with effect from January 01, 2024.

**RESOLVED FURTHER THAT** the Managing Director, the Chief Financial Officer and the Company Secretary of the Company be and are hereby jointly and severally authorized to do all such acts, deeds and things as may be required to give effect to the resolution including filing of requisite e-forms with the Registrar of Companies."

#### Special Business:

4. **Re-Appointment of Shri Abhishek Vipinchandra Gami (DIN: 07570948) as a Managing Director of the Company:**

To consider and if thought fit to pass with or without modification(s) the following resolution as a special resolution.

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), and Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modifications(s) or re-enactment thereof for the time being in force) and as recommended by the Nomination and Remuneration Committee and Board of Directors, consent of the members of the Company be and is hereby accorded for the re-appointment of Shri Abhishek Vipinchandra Gami (DIN: 07570948) as Managing Director of the Company for a period of 3 years effective from July 01, 2025 to June 30, 2028, liable to retire by rotation, on the terms and conditions of appointment and remuneration as set out in the explanatory statement annexed to the Notice convening this meeting, with liberty and



power to the Board of Directors of the Company (including its Committee constituted for the purpose) to alter and vary the terms and conditions of the said appointment as agreed by and between the Board of Directors and Shri Abhishek Gami.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any Financial Year during the tenure of Shri Abhishek Vipinchandra Gami as a Managing Director, the remuneration specified shall be paid and allowed to Shri Abhishek Vipinchandra Gami, not exceeding the limits specified under Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration for such Financial Year.

**RESOLVED FURTHER THAT** in the event of any statutory amendment or modification by the Central Government to Schedule V of the Companies Act, 2013, the Board of Directors be and are hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Shri Abhishek Vipinchandra Gami within such prescribed limit or ceiling and as agreed by and between the Company and Shri Abhishek Vipinchandra Gami without any further reference by the Company in General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby jointly and severally authorised to do all such acts, deeds and things necessary or expedient to give effect to this resolution."

**Registered Office:**

119, GIDC Industrial Area,  
Ankleshwar – 393002,  
Gujarat, India.

**By the Order of the Board  
Rapicut Carbides Limited**

**Place:** Ankleshwar

**Date:** August 10, 2024

**Komal P. Soni  
Company Secretary  
M.No.:A66843**

## NOTES

1. Pursuant to the General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, 09/2023 dated 25th September, 2023 and other relevant circulars issued by the Ministry of Corporate Affairs ("MCA") in this regard and Section VI – J of Chapter VI of SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/2023/167 dated 7th October, 2023 issued by Securities and Exchange Board of India ("SEBI") (hereinafter collectively referred to as the "Circulars"), companies are allowed to hold the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Video Visual Means ("OAVM"), without the physical presence of the members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company will be held through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. In Compliance with the MCA and SEBI Circulars, the Notice of the 47th AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website at [www.rapicutcarbides.com](http://www.rapicutcarbides.com), website of Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of Central Depository Services (India) Limited at [www.evotingindia.com](http://www.evotingindia.com).
3. Since this AGM is being held through VC / OAVM, pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.**
4. Corporate Members intending to authorise their representatives pursuant to Section 113 of the Companies Act, 2013 ('the Act') to attend the AGM through VC/OAVM are requested to send a Certified Copy of the Board Resolution / Authorization Letter to the Company by e-mail at [investors@rapicutcarbides.com](mailto:investors@rapicutcarbides.com).
5. Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the Quorum under Section 103 of the Act.
6. An explanatory statement, pursuant to section 102(1) of the Act relating to business set out under item no. 3 & 4 of the accompanying Notice is annexed hereto.
7. The details of the Directors seeking appointment / re-appointment at the AGM, pursuant to the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015) and para 1.2.5 of the Secretarial Standards on General Meetings (SS-2) and other applicable provisions are provided in Annexure – A to this Notice.
8. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send a request from their registered Email Id mentioning their name, DP ID and Client ID / Folio No., PAN, Mobile No. to the Company at [investors@rapicutcarbides.com](mailto:investors@rapicutcarbides.com)
9. As per Regulation 40 of the SEBI Listing Regulations, 2015, as amended, securities of Listed Companies can be transferred only in dematerialised form. With effect from January 24, 2022, transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio Management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company's Registrar and Transfer Agent, Link Intime India Private Limited at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) for assistance in this regard.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registration of nomination, power of attorney registration, Bank Mandate details, etc.

to their Depository Participants (DP) in case the shares are held in electronic form and to the Registrar and Transfer Agent at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) in case the shares are held in physical form, quoting their folio number. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. SH-14. The said forms can be downloaded from the Registrar and Transfer Agent's website at [www.linkintime.in](http://www.linkintime.in) under 'Downloads' section. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the Registrar at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) in case the shares are held in physical form, quoting their folio number.
12. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic Statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
13. The Company has uploaded the information in respect of the Unclaimed Dividends of the Financial Years 2016-2017 to 2018-2019 under "Investor Section" on the website of the Company viz. [https://www.rapicutcarbides.com/Unclaimed\\_&\\_Unpaid\\_Dividend.html](https://www.rapicutcarbides.com/Unclaimed_&_Unpaid_Dividend.html). Members who have not claimed dividend for previous year(s) are requested to claim the same by approaching the Company or Registrar and Transfer Agent.
14. In terms of Section 124 of the Act, all Unpaid and Unclaimed Dividend for the Financial Year ended March 31, 2017 will be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government under Section 125 of the Act, within 30 days from the due date i.e. October 25, 2024, and thereafter, no claim shall lie against the Company in respect of the said unpaid or unclaimed amount. Shareholders may approach IEPF Authority for claiming the Dividend transferred to Investor Education and Protection Fund and follow the procedure as per Rule 7 of IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred as "IEPF Rules") for claiming Unpaid Dividend.

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

In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed Web based Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5.

15. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, (as amended), and Regulation 44 of the SEBI Listing Regulations, 2015, (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting, as well as the e-voting system, during the AGM will be provided by CDSL.

16. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.

**The instructions for shareholders for remote e-voting and joining virtual meetings are as under:**

- (i) The remote e-voting period begins on Wednesday, September 25, 2024 at 9.00 A.M. and ends on Friday, September 27, 2024 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Saturday, September 21, 2024, may cast their vote electronically. The e-voting module shall be disabled by CDSL for remote e-voting after Friday, September 27, 2024 (5.00 P.M. IST). Members have the option to cast their vote on any of the resolutions using the remote e-voting facility either during the aforesaid voting period or during the AGM.
- (ii) Shareholders who have already voted prior to the Meeting date would not be entitled to vote during the AGM.
- (iii) Mr. S. Samdani, Partner of M/s. Samdani Shah & Kabra, Practising Company Secretaries, Vadodara has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- (iv) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 December 9, 2020, under Regulation 44 of the SEBI Listing Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (v) In terms of SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meeting for **Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li><b>1) Existing user who have opted for Easi/Easiest</b> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Click on New System Myeasi</li> <li>III. Login with your registered user ID and password.</li> <li>IV. The user will see the e-Voting Menu. The Menu will have links of e-voting service provider (ESP)</li> <li>V. Click on e-Voting service provider name to cast your vote.</li> </ol> </li> <li><b>2) User not registered for Easi/Easiest</b> <ol style="list-style-type: none"> <li>I. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https:// web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>II. Proceed with completing the required fields.</li> <li>III. Follow the steps given in point 1</li> </ol> </li> <li><b>3) Alternatively, by directly accessing the e-Voting website of CDSL</b> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>II. Provide your Demat Account Number and PAN No.</li> <li>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>IV. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress</li> </ol> </li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li><b>1) User already registered for IDeAS facility:</b> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a></li> <li>II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section.</li> <li>III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"</li> <li>IV. Click on Company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ol> </li> <li><b>2) If the user is not registered for IDeAS e-Services</b>, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li><b>3) Alternatively by directly accessing the e-Voting website of NSDL</b> <ol style="list-style-type: none"> <li>I. Open URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a></li> <li>II. Click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>IV. Post successful authentication, you will be requested to select the name of the Company and the e-Voting Service Provider name.</li> <li>V. On successful selection, you will be redirected to e-Voting page for casting your vote during the remote e-Voting period.</li> </ol> </li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<ol style="list-style-type: none"> <li>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</li> <li>II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>III. Click on options available against Company name or e-Voting service provider and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period without any further authentication.</li> </ol>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 21 09911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 022-48867000 and 022-24997000

(vi) Login method for e-Voting and joining virtual meeting for **shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:**

- 1) The shareholders should log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any Company, then your existing password is to be used.
- 6) If you are a first time user follow the steps given below:

<b>For Share Holders holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact the Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.  If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the Rapicut Carbides Limited on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians – Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investors@rapicutcarbides.com](mailto:investors@rapicutcarbides.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.



2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to Meeting mentioning their name, demat account number/folio number, email ID, mobile number at [investors@rapicutcarbides.com](mailto:investors@rapicutcarbides.com). The speakers will be allowed to speak depending upon the availability of time at the discretion of the Chairman. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [investors@rapicutcarbides.com](mailto:investors@rapicutcarbides.com). These queries will be replied to by the Company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and did not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the Meeting.

#### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE DEPOSITORIES.**

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the Share Certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to **Company/RTA Email ID**.
2. For Demat shareholders - Please update your Email ID & Mobile No. with your respective Depository Participant (DP).
3. For Individual Demat shareholders- Please update your Email ID & Mobile No. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 1800 21 09911.

## EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item No. 3

#### Revision in remuneration of Statutory Auditors of the Company

At the 44th Annual General Meeting of the Company held on September 28, 2021, the Members of the Company had approved appointment (including remuneration) of M/s K C Mehta & Co., LLP (Formerly known as M/s K C Mehta & Co.), Firm Registration No. 106237W, Chartered Accountants, Vadodara, for a tenure of five years from the conclusion of 44th Annual General Meeting till the conclusion of 49th Annual General Meeting to be held in the year 2026.

The Management reviewed the performance and responsibilities of the Statutory Auditors and considering the prevailing market conditions, the Management is of the opinion that a revision in the remuneration of the Statutory Auditors is justified to fairly compensate for their services and expertise.

The Audit Committee and the Board of Directors at their respective meetings held on January 29, 2024 recommended revision in remuneration up to Rs. 1,50,000/- Per Annum for Yearly Audit and up to Rs. 50,000/- Per Quarter for Quarterly Audit plus applicable taxes, travelling and out-of-pocket expenses, effective from January 01, 2024 for the remaining tenure of the appointment.

Save and except as aforesaid, all other terms and conditions of their appointment shall continue to remain in full force and effect until the completion of their tenure.

None of the Directors/Key Managerial Personnel of the Company are, in any way, concerned or interested, in the said resolution.

The Board of Directors of the Company recommends passing of the proposed resolution stated in Item No. 3 as an Ordinary Resolution

The Board of Directors recommends the Special Resolution set out at Item No. 3 of the Notice for the approval of the Members.

### Item No. 4

#### Re-Appointment of Shri Abhishek Vipinchandra Gami (DIN: 07570948) as a Managing Director of the Company:

Shri Abhishek Vipinchandra Gami was appointed as the Managing Director of the Company in 43rd Annual General Meeting held on September 28, 2020 for period of 5 years with effect from July 1, 2020 on the terms and conditions as approved by them. The present term of Shri Abhishek V. Gami comes to end on June 30, 2025.

Shri Abhishek Gami, aged 36 years, holds the Bachelor Degree in Science (Chemistry), Gold Medalist and Master Degree in Science (Organic). He is having expertise in the field of processing of Tungsten and its base Raw Material. He has vast experience in Production, Marketing, Quality Assurance and Administration.

From last 4 years, he looks after the operations of the Company, considering the progress made by the Company under his leadership, the Board of Directors felt that it is in the interest of the Company to continue to avail services of Shri Abhishek Gami as Managing Director of the Company. On the recommendation of the Nomination and Remuneration Committee, the Board in its meeting held on August 10, 2024, has approved the re-appointment of Shri Abhishek Gami as the Managing Director of the company, subject to approval of the Shareholders, for a further period of 3 years effective from July 01, 2025 to June 30, 2028.

Shri Abhishek V. Gami is not disqualified from being re-appointed as a Managing Director in terms of Section 164 of the Companies Act, 2013. He has communicated his willingness to be re-appointed and has given his consent to act as

Managing Director of the company. He satisfies all the conditions as set out in Section 196(3) of the said Act and Part-I of Schedule V thereof and hence, is eligible for re-appointment.

The main terms and conditions relating to the re- appointment of Shri Abhishek Gami as the Managing Director is as under:

- (1) The Managing Director shall be subject to the superintendence, control and direction of the Board of Directors and he will be entrusted with substantial powers of management and will also perform such other duties as may be entrusted to him, from time to time.
- (2) Period of Appointment: Three years with effect from July 1, 2025.
- (3) DETAILS OF REMUNERATION:

**i. Remuneration:**

Gross Salary including Basic Salary, Perquisites, and other allowances / benefits up to Rs. 72 Lakh per annum (CTC) for the first year of his re-appointment and later eligible for yearly increment as may be decided by the Board of Directors from time to time, subject to maximum ceiling limit of Rs. 120 Lakhs.

**ii. Perquisites and allowances:**

- (a) Housing: Company leased Housing Accommodation or House Rent Allowance as per the Rules of the Company.
- (b) Leave Travel Concession for self and family as per the Rules of the Company.
- (c) Medical Reimbursement, Medical Insurance and Personal Accident Insurance as per the Rules of the Company.
- (d) Conveyance as per the Rules of the Company.
- (e) Free Telephone Facility at the residence as per the Rules of the Company.
- (f) Contribution to Provident Fund, Superannuation Fund and Gratuity Fund as per the Rules of the Company.
- (g) Leave as per the Rules of the Company.
- (h) Use of Car: Use of chauffeur driven Company car for official purpose.
- (i) Reimbursement of Expenses: Reimbursement of expenses incurred during the official business of the Company in accordance with the rules of the Company.
- (j) Other Perquisites, allowances, benefits and amenities as per the service rules of the Company as applicable from time to time.

**iii. Commission:**

Shri. Abhishek V. Gami shall also be paid Commission, in addition to Salary, Perquisites, Allowances, calculated with reference to Net Profits of the Company in a particular Financial Year, as may be determined by the Board of Directors of the Company at the end of each Financial Year not exceeding 1% of the Net Profits of the Company for the respective Financial Year, subject to overall ceilings stipulated in Section 197 of the Act.

**(4) Other Terms and Conditions**

- i. The Managing Director shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.
- ii. The terms and conditions of his appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, subject overall limits stipulated under Section 197 of the Act and Schedule V of the Act, or any amendments made hereinafter in this regard in such manner as may be mutually agreed between the Board and him and subject to such approvals as may be required.



- iii. The appointment may be terminated by either party by giving to the other party one month's notice of such termination or the Company paying two month's remuneration in lieu thereof.
- iv. The employment of the Managing Director may be terminated by the Company without notice or payment in lieu of notice:
  - (a) If the Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company; or
  - (b) In the event of any serious repeated or continuing breach (after prior warning) or non-observance by him of any of the stipulations contained in the agreement to be executed between the Company and him; or
  - (c) In the event the Board expresses its loss of confidence in him.
- v. Upon the termination by whatever means of the Managing Director's employment:
  - (a) He shall immediately cease to hold offices held by him without claim for compensation for loss of office.
  - (b) He shall not without the consent of the Company at any time thereafter represent himself as connected with the Company.
- vi. If and when the agreement expires or is terminated for any reason whatsoever, Shri. Abhishek Gami will cease to be the Managing Director and also cease to be a Director. If at any time he ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director and the agreement shall forthwith terminate. If at any time, he ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and Managing Director of the Company.
- vii. The terms and conditions of appointment of Managing Director also include clauses pertaining to adherence to the Rapicut Code of Conduct, non-competition, no conflict of interest with the Company and maintenance of confidentiality.

The details of Shri Abhishek Gami as required under provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial Standard on General Meetings (SS-2), in respect of re-appointment of Managing Director, are provided in the Annexure "A" to this Notice and forms part of the Statement.

It is proposed to seek Members' approval for the re-appointment and remuneration payable to Shri Abhishek V. Gami as a Managing Director, in terms of the applicable provisions of the said Act and the Rules made thereunder.

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

None of the other Directors or Key Managerial Personnel of the Company and their relatives, other than Shri Abhishek Gami, and Smt. Shruti Gami and their relatives, has in any way, concerned or interested in the said resolution set forth at Item No. 4 of this Notice.

**Registered Office:**

119, GIDC Industrial Area,  
Ankleshwar – 393002,  
Gujarat, India.

**Place:** Ankleshwar

**Date:** August 10, 2024

**By the Order of the Board  
Rapicut Carbides Limited**

**Komal P. Soni  
Company Secretary  
M.No.:A66843**

### Annexure-A

Details of the Directors seeking Appointment/Re-appointment at the 47th Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 are as under:

<b>Name of the Director</b>	Shri Dhananjay D Kanitkar	Shri Abhishek V Gami
<b>Date of Birth</b>	16-08-1946	29-09-1988
<b>Date of first Appointment on the Board</b>	15-06-2011	01-07-2020
<b>Qualification</b>	BE Mechanical, Diploma in Business Management, Certification in Production Planning, Industrial Engineering and Quality Assurance.	B.SC Chemistry (Gold Medalist), M.SC (Organic).
<b>Experience in specific functional areas</b>	Extensive experience over 30 years in leadership position mainly involving Production, Quality Assurance, Marketing, Administration Business Management.	Expertise in processing of Tungsten and its base Raw Material. He has vast experience in Production, Marketing, Quality Assurance and Administration.
<b>Directorships in other Public Companies</b>	Nil	Nil
<b>Chairman/ Member of the Committees of the Board of Directors of the Company</b>	Nil	Member of Audit Committee & Stakeholders Relationship Committee
<b>Chairman/Member of the Committees of the Board of Directors of the other Companies in which he is a Director</b>	Nil	Nil
<b>No. of Shares held in the Company</b>	750 Shares	16,44,673 Shares
<b>Inter-se Relationship between Directors</b>	Not Applicable	Husband of Smt. Shruti Gami.
<b>Director Identification Number</b>	03523774	07570948
<b>No. of Meetings of the Board attended during the Year.</b>	4	4

**Annexure- B**

**STATEMENT CONTAINING REQUIRED INFORMATION AS PER SCHEDULE V OF THE COMPANIES ACT, 2013.**

**1. General Information:**

- I. Nature of Industry:** - The Company is engaged in Manufacturing of Tungsten and Tungsten Carbide Products.
- II. Date of Commencement of Commercial Production:** 02-10-1979
- III. In case of new Companies, expected date of commencement of activities as per project approved by Financial Institution appearing in the prospectus:** - Not Applicable
- IV. Financial Performance based on given indicators:**

During the year under review, the Company has reported a Profit of Rs. 49.04 Lakhs as against loss of Rs. 135.25 Lakhs in the previous Financial Year 2022-23. The brief statement indicating loss related figures is given below:

Particulars	(Rs. in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations	6015.81	3,957.26
Profit/(Loss) before Depreciation and Tax (Including Deferred Tax)	107.70	(74.52)
Profit/(Loss) after Depreciation and Tax	49.04	(135.25)

**V. The details of foreign exchange earnings and outgo is as under :**

Sr No.	Particulars	(Rs. in Lakhs)	
		2023-24	2022-23
1.	Foreign Exchange earnings (actual inflows)	0.00	5.92
2.	Foreign Exchange expenditure (actual outflows)	1676.92	600.94

**VI. Foreign Investments or Collaborations, if any- Not Applicable**

**2. Information about the appointee:**

**i. Background Details :**

Particulars	Shri Abhishek V. Gami
Age	36 years
Designation	Managing Director
Qualification	B.SC Chemistry (Gold Medalist), M.SC (Organic)

**ii. Past remuneration during the Financial Year ended 31st March, 2023:**

Particulars	2022-23
Shri Abhishek V. Gami	Rs. 64 Lakhs p.a.

**iii. Recognition or Awards:**

NA

**vi. Job Profile and his Suitability**

Shri. Abhishek V. Gami is the Managing Director of the Company. He looks after the daily operations in all key areas of activity, administration and overall functioning of the Company.

He is also the Promoter of the Company and having academic and professional experience of handling the activities related to the Business of the Company.

**v. Remuneration proposed:** Details on proposed remuneration have been stated in the Resolution No. 4 of this Notice.

**vi. Comparative remuneration profile with respect to Industry, size of the Company, Profile of the Position and Person (in case of expatriates the relevant details would be with respect to the Country of his Origin):**

For the responsibility shouldered by Shri. Abhishek V. Gami as the Managing Director of the Company for its smooth running and propelling the Company's growth drivers in the period ahead, the remuneration paid to him is commensurate and compares favourably with the Compensation paid to the Business Heads of like-sized and similarly positioned businesses.

**vii. Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel or other Directors, if any.**

No such pecuniary relationship exists except for relationship with Smt. Shruti A. Gami, Non-Executive Director of the Company, wife of Shri. Abhishek V. Gami.

Shri. Abhishek V. Gami and Smt. Shruti A. Gami are also the Promoters of the Company.

Shri. Abhishek V. Gami along with Smt. Shruti A. Gami, holds 21,73,066 Equity Shares in the Share Capital of the Company.

**3. Other information:**

**(1) Reasons of loss or inadequate profits**

With the abrupt and steep rise in cost of raw materials and consumables, it was challenging for the Company to appreciably pass on the cost push to the customers, in the face of stiff Competitive Environment. The Management continues its focus on appropriate Marketing Policy decisions in response to the improving overall market environment.

**(2) Steps taken or proposed to be taken for improvement**

The Company is embarking into manufacture of related products and is attempting feasible backward integration which will help improve profitability of the Company. The Company and the Managing Director himself are pushing all limits to develop new products and business of the Company which can help Company to move out of Loss. Also, progressive technological improvements are being introduced and this has led to more expenses initially. Newer Technology and resultant processes will help to sustain the growing Competition.

**(3) Expected increase in productivity and profits in measurable terms**

The Company has taken various cogent initiatives to improve its Market Share and Financial Performance. It has been aggressively pursuing and implementing its strategies to improve Financial Performance.

## **BOARD'S REPORT**

Dear Members,

Your Directors have pleasure in presenting their 47th Annual Report together with the Audited Financial Statements for the year ended March 31, 2024 (year under review). The Company operates only in one business segment viz., Tungsten and Tungsten Carbide Products.

### **Operations and State of Affairs of the Company:**

<b>Particulars</b>	(₹ in Lakhs)	
	<b>Year ended 31/03/2024</b>	<b>Year ended 31/03/2023</b>
Revenue from Operations	<b>6015.81</b>	3,957.26
Profit/(Loss) before Depreciation and Tax (Including Deferred Tax)	<b>107.70</b>	(74.52)
Profit/(Loss) after Depreciation and Tax	<b>49.04</b>	(135.25)
Reassessment of Losses (Profit) on defined employee benefit plans and fair value of loan	<b>0.76</b>	(31.07)
Total Comprehensive income for the year	<b>48.28</b>	(104.18)
Add:		
Profit/(Loss) brought forward from previous year	<b>918.50</b>	1,022.68
Profit/(Loss) available for appropriation	<b>966.78</b>	918.50
Appropriations		
Dividend and Dividend Tax		-
Transfer to General Reserve		-
Profit/(Loss) carried to Balance Sheet	<b>966.78</b>	918.51

The current financial year has registered increase in production and sales volumes as compared to previous financial year. The Company's performance for the financial year 2023-24 (Sales Rs. 6015.81 Lakhs) has shown substantial improvement in Revenue from Operations in comparison with the previous financial year 2022-23 (Sales Rs. 3957.26 lakhs).

However, with the abrupt and steep rise in cost of raw materials and consumables, it was not possible for the Company to appreciably pass on the cost push to the customers, in the face of stiff Competitive Environment. The Management continues its focus on appropriate Marketing Policy decisions in response to the improving overall market conditions.

### **DIVIDEND**

The Board of Directors of your Company, after considering relevant circumstances has decided that it would be prudent not to recommend any Dividend for the year under review.

### **TRANSFER TO RESERVES**

In terms of Section 123 of the Companies Act, 2013 ('Act'), the Company does not propose to transfer any amount to General Reserve for the year under review.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) read with Schedule V of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") forms part of this Annual Report. Certain Statements in the said report may be forward-looking. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook. The Management Discussion and Analysis Report is annexed as **Annexure A**.

### **SUBSIDIARIES, ASSOCIATES, AND JOINT VENTURE**

The Company does not have any Subsidiary or Associate Company and has not entered into any Joint Venture during the year under review.

## DEPOSITS

During the year under review, the Company has not accepted any deposits under Chapter V of the Companies Act, 2013 ('Act') and rules made thereunder. Therefore, requirement of disclosure of details relating to deposits as per Section 134(3)(q) of the Act read with rules made thereunder is not applicable.

## CHANGE IN CAPITAL STRUCTURE

There is no change in the paid-up equity share capital of the Company during the year under review. The paid-up Equity Share Capital of the Company as on March 31, 2024, is Rs. 5,37,12,450/- (Rupees Five Crores Thirty-Seven Lakhs Twelve Thousand Four Hundred Fifty only).

## DIRECTORS

During the year under review;

- Shri Nrupang B. Dholakia (DIN: 06522711) was appointed as an Independent Director of the Company, for the first term of five consecutive years from June 01, 2023 to May 30, 2028 at 46th Annual General Meeting of the Company, not liable to retire by rotation.
- Shri Atul R. Garg (DIN: 07148330) was re-appointed as an Independent Director of the Company for the second term of five consecutive years with effect from February 7, 2024 to February 6, 2029 at 46th Annual General Meeting of the Company, not liable to retire by rotation.

The term of Shri Abhishek V. Gami as a Managing Director will be ended on June 30, 2025. The Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on August 10, 2024 has recommended re-appointment of Shri Abhishek V. Gami as a Managing Director of the Company for further period of 3 (Three) consecutive years w.e.f. July 1, 2025, subject to approval of the members by way of a special resolution.

In accordance with the provisions of the Act and the Articles of Association of the Company, Shri Dhananjay D. Kanitkar retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

## KEY MANAGERIAL PERSONNEL

Shri. Abhishek V. Gami, Managing Director, Shri. Chetankumar Narandas Nayak, Chief Financial Officer (w.e.f. June 1, 2024) and Ms. Komal P. Soni, Company Secretary are the Key Managerial Personnel of the Company.

There were following changes in the Key Managerial Personnel of the Company up to the date of this report:

Shri. Vinay C. Sura ceased to be Key Managerial Personnel (Chief Financial Officer) pursuant to his resignation at the close of business hours on May 31, 2024.

Shri. Chetankumar Narandas Nayak was appointed as the Chief Financial Officer and was designated as a Key Managerial Personnel with effect from June 1, 2024.

## MEETINGS OF THE BOARD

Four (4) Board Meetings were held during the Financial Year ended March 31, 2024 on the following dates:

(i) May 29, 2023, (ii) August 05, 2023, (iii) October 29, 2023 and (iv) January 29, 2024.

## INDEPENDENT DIRECTORS

The Company has received declarations / confirmations from all the Independent Directors of the Company as required under Section 149(7) of the Act read with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 stating that they meet criteria of Independence as defined under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

## PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and the Listing Regulations to the extent applicable, the Board has carried out the Annual Performance Evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

The following were the Evaluation Criteria:

- Knowledge and Skills
- Professional Conduct
- Duties, Role and Functions
- Fulfilment of the Independence Criteria and their independence from the management
- Performance as Team Leader/Member
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Set Key Goals and Achievements
- Professional Conduct and Integrity
- Sharing of Information with the Board

The Directors expressed their satisfaction with the evaluation process and also the outcome of evaluation was positive without any concerns from any Director.

#### **AUDIT COMMITTEE**

As on March 31, 2024, the Audit Committee comprised of the 3 Directors with Shri Kishore D. Sharma, Independent Director as Chairman of the Committee, Shri Abhishek V. Gami, Managing Director and Shri Atul R. Garg, Independent Director as Members.

The Committee inter alia reviews the Internal Control System, Reports of Internal Auditors, Key Audit Matters presented by the Statutory Auditors and Compliance of various Regulations. The Committee also reviews the Financial Statements before they are placed before the Board of Directors.

There was no instance where the recommendation by the Audit Committee was not accepted by the Board.

#### **VIGIL MECHANISM**

Pursuant to the provisions of Section 177(9) & (10) of the Act, a Vigil Mechanism or Whistle Blower Policy for Directors, Employees and other Stakeholders to report genuine concerns has been established. The same is uploaded on the website of the Company and the web-link as required under the Listing Regulations is: <https://www.rapicutcarbides.com/Policies.html>

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. No one was denied access to the Chairman of the Audit Committee.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY AND COMPLIANCE**

The Company's internal control procedures which include internal Financial Controls, ensure compliance with various policies, practices and statutes keeping in view the Organisation's size and nature of the business. The Internal Auditor carries out extensive audits throughout the year.

Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and the timely preparation of reliable Financial Disclosure.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The Company is not falling under the criteria mentioned in Section 135 (1) of the Act. Therefore, the Company is not required to develop or implement policy on any Corporate Social Responsibility initiatives.

#### **POLICY ON NOMINATION AND REMUNERATION**

In compliance with the requirements of Section 178 of the Act, the Company has laid down a Nomination and Remuneration Policy which has been uploaded on the Company's website. The web-link as required under the Companies Act, 2013 is: <https://www.rapicutcarbides.com/Policies.html>

The salient features of the Nomination and Remuneration Policy are as under:

- 1) Setting out the objectives of the Policy
- 2) Definitions for the purposes of the Policy



- 3) Appointment, resignation, retirement and removal of Director, Key Managerial Personnel and Senior Management Personnel
- 4) Remuneration for the Key Managerial Personnel and Senior Management Personnel.

#### **DIVIDEND DISTRIBUTION POLICY**

The Company is not falling under the criteria mentioned in Regulation 43A of the Listing Regulations pertaining to Dividend Distribution Policy. Therefore, the Company is not required to formulate Dividend Distribution Policy.

#### **RELATED PARTY TRANSACTIONS**

The particulars of Material Related Party Transactions entered by the Company which were at Arm's Length and were in Ordinary Course of Business under Section 188 of the Act are furnished in the prescribed Form AOC-2 as **Annexure B**. All related party transactions entered by the Company during the period under review, were in the ordinary course of business and at arm's length.

The Board has approved a policy for Related Party Transactions which has been uploaded on the Company's website. The web-link as required under the Listing Regulations is: <https://www.rapicutcarbides.com/Policies.html>

#### **CORPORATE GOVERNANCE**

The Regulation 15 (2) of the Listing Regulations, the compliance with the Corporate Governance provisions as specified in Regulations 17 to 27, 46(2)(b) to (i) and (t) and Para C, D and E of Schedule V are not applicable to the Company, as the paid-up equity share capital of the Company is less than Rs. 10 Crores and net worth is also less than Rs. 25 Crores as on the last day of previous Financial Year. Hence, the Company is not required to furnish Corporate Governance Report.

#### **LISTING OF SECURITIES**

The equity shares of the Company are listed on the BSE Limited (BSE) with stock code 500360 and security ID/symbol of RAPICUT respectively. The ISIN for equity shares is INE350D01015. The Company confirms that the Annual Listing Fees to the Stock Exchange for the financial year 2024-25 has been paid.

#### **LOANS, GUARANTEES AND INVESTMENTS**

During the year under review, your Company has not granted any loans, nor furnished guarantees, nor made investments as envisaged under Section 186 of the Act.

#### **DETAILS OF APPLICATION/S MADE / ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR 2023-24**

During the year under review, neither application has been made nor there are any proceedings pending under the Insolvency and Bankruptcy Code, 2016.

#### **DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT & VALUATION DONE WHILE TAKING LOAN FROM THE BANKS / FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

During the year under review, the Company has not made any one-time settlement with Banks / Financial Institutions or while taking loans from the Banks or Financial Institutions, if any. Accordingly, no details are required to be disclosed.

#### **AUDITORS**

##### **A. Statutory Auditors**

In compliance with the Companies (Audit and Auditors) Rules, 2014, M/s. K C Mehta & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company by the members at their 44<sup>th</sup> Annual General Meeting held on September 28, 2021 to hold office for a term of 5 (Five) years i.e. till the conclusion of 49<sup>th</sup> Annual General Meeting ('AGM') for the financial year 2025-26.

The Auditor's Report for the financial year 2023-24 does not contain any Qualification, Reservation or Adverse Remark and hence do not call for any comments. The Auditor's Report is enclosed with the Financial Statements in this Annual Report.

**B. Secretarial Auditors**

In pursuance of Section 204 of the Act and the Rules made thereunder, the Board of Directors appointed M/s. Samdani Shah & Kabra, Practising Company Secretaries, as Secretarial Auditors of the Company for the financial year 2024-25. The Secretarial Audit Report of M/s. Samdani Shah & Kabra, Practising Company Secretaries for the financial year 2023-24, is annexed herewith as Annexure D.

The Secretarial Audit Report does not contain any Qualification, Reservation or Adverse Remark and hence do not call for any comments.

**C. Internal Auditors**

Pursuant to Section 138 of the Companies Act 2013, the Board of Directors appointed M/s. Rays & Associates, Chartered Accountants, Ahmedabad as Internal Auditors of the Company for the financial year 2024-25.

**D. Cost Auditors**

The provisions of the Cost Audit are not applicable to the Company and hence the Company is not required to appoint Cost Auditor. However, Cost Records as specified by the Central Government under Section 148 (1) read with the Companies (Cost Records and Audit) Rules, 2014 is applicable to the Company and accordingly cost records are made and maintained by the Company.

**SECRETARIAL STANDARDS COMPLIANCE**

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Act.

**RISK MANAGEMENT**

The provisions of Regulation 21 of the Listing Regulations pertaining to Risk Management Committee are not applicable to the Company. However, the Company has developed and are implementing Risk Management Policy including identification of various risks, if any, which in the opinion of the Board may threaten the existence of the Company, the Company has risk assessment and mitigation procedures in place and the Board has been kept informed of such assessment.

**MATERIAL CHANGES AND COMMITMENTS AND CHANGE IN NATURE OF BUSINESS**

There have been no material changes and commitments affecting the Financial Position of the Company since the closure of the financial year i.e. since March 31, 2024 till the date of Board's Report.

Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

**ANNUAL RETURN**

A copy of the Annual Return as required under Section 92(3) of the Act has been placed on the Company's website. The web-link as required under Section 134(3)(a) of the Act is as under; [www.rapicutcarbides.com/finance.htm](http://www.rapicutcarbides.com/finance.htm)

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

In terms of Sub-section 3(m) of Section 134 of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, particulars relating to conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are given in Annexure C forming part of this report.



## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

### Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year:

Name of Directors	Ratio of Remuneration of Directors to Median Remuneration of Employees
Shri. Abhishek Gami - Managing Director	1:17.59
Shri. Dhananjay Kanitkar – Non Executive Director	1:0.203
Shri. Kishore Sharma - Independent Director	1:0.203
Smt. Shruti Gami - Non Executive Director	1:0.203
Shri. Atul Garg - Independent Director	1:0.203
Shri Nrupang B. Dholakia – Independent Director	1:0.203

### Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year:

Name	Percentage Increase in Remuneration in Financial Year 2023-24
Shri Abhishek V. Gami	24%
Shri Vinay C. Sura (Ceased to be Chief Financial Officer w.e.f 1st June, 2024)	6%
Ms. Komal Soni - Company Secretary	21%
All Non-Executive & Independent Directors are paid only sitting fees for attending Meetings.	
Percentage increase in the median remuneration of Employees in the Financial Year	(2.10)
Number of Permanent Employees on the rolls of Company	99
Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	20.93% (Non-Managerial Personnel)
	1.80% (Managerial Personnel)

We affirm that the remuneration paid to the Managerial and Non-Managerial Personnel is as per the Nomination and Remuneration policy of the Company.

A statement showing the names and particulars of the employees falling within the purview of Rule 5(2) of the aforesaid rules are provided in the Annual Report.

Details of top ten employees in terms of gross remuneration drawn during the Financial Year 2023-24

Sr. No	Name	Designation	Remuneration during the year (In. Rs)	Nature of Employment	Qualifications	Experience (in complete d years)	Date of Commencement of employment with Rapicut Carbides Limited	Age in years	Last Employment	% Equity shares held in the Company
1	Abhishek V Gami	Managing Director	49,50,937	Regular	M.Sc. (Organic Chem.)	14 Yrs	01/07/2020	36 Yrs	Navin Fluorine Int. Ltd.	40.28%
2	Sanjay Kumar	Deputy General Manager (Marketing)	15,34,692	Regular	BSC, MBA(Marketing)	30 Yrs	20/06/2005	54 Yrs	Bipico Industries	0.00068%
3	Ashok D Sanap	Area Sales Manager	11,40,305	Regular	BA	34 Yrs	15/12/1993	55 Yrs	Sai Employment Services	Nil
4	Alok K Yadav	Manager (Maintenance)	9,82,364	Regular	Dip. in Electrical Engg.	32 Yrs	05/04/2007	54 Yrs	Gujarat Organics Ltd.	Nil
5	Vinay C Sura	Chief Financial Officer	8,56,825	Regular	M.Com, ICMA	37 Yrs	07/12/2022	59 Yrs	Wockhardt Ltd.	Nil
6	H U Prankda	Assistant Manager (Prod. P&C)	8,06,529	Regular	Dip. In Mech. Engg.	35 Yrs	12/04/1991	53 Yrs	Mipco Seamless Ltd.	Nil
7	Kuldeep Singh	Assistant Manager	8,04,612	Regular	Dip. In Mech. Engg., Dip. In Safety	21 Yrs	08/03/2008	42 Yrs	Miranda FEW Tools Pvt. Ltd.	Nil
8	C Arunachalam	Assistant Manager	7,99,549	Regular	Higher Secondary Exam.	31 Yrs	01/09/1993	54 Yrs	Started Job in Rapicut Carbides Ltd.	Nil
9	Santosh Jadhav	Assistant Manager	7,55,379	Regular	ITI Turner	28 Yrs	25/02/2016	46 Yrs	R M Drripp Sprinkler System	Nil
10	Abhishek A Mangukiya	Assistant Manager	7,43,063	Regular	BE (Metallurgy)	9.8 Yrs	18/05/2015 as Mgt Trainee, 18/05/2016 as Sr Engr.	31 Yrs	Nova Technocast Pvt. Ltd.	Nil

None of the Employee, as mentioned above, is a relative of any Director or Manager of the Company, except for Shri. Abhishek V. Gami, being the Managing Director himself.

Details of every employee, who was employed throughout the financial year and was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore and Two Lakh Rupees: None

Details of every employee, who was employed for a part of the financial year and was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh fifty thousand rupees per month: None

Details of every employee, who was employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or whole-time Director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company: None

### Details of Unclaimed Suspense Account

Disclosure pertaining to Unclaimed Suspense Account as required under Schedule V of the Listing Regulations, is as under:

Particulars	No. of Shareholders	No. of Shares
Aggregate No. of Shareholders and outstanding shares lying in the suspense account as on April 1, 2023	6	1762
Number of shareholders/legal heirs who approached to the issuer/Registrar for transfer of shares from suspense account during the financial year 2023-24	0	0
Number of shareholders/legal heirs to whom shares were transferred from suspense account during the financial year 2023-24	3	1162
Aggregate No. of Shareholders and outstanding shares lying in the suspense account as on March 31, 2024	3	600

The voting rights on the equity shares which are transferred to Unclaimed Suspense Account are frozen till the rightful owner of such equity shares claims the shares.

### DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on Prevention, Prohibition and Redressal of Sexual Harassment at Work Place in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of Complaints of Sexual Harassment at Workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the Year under review, no complaints were reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### TRANSFER OF EQUITY SHARES, UNPAID/UNCLAIMED DIVIDEND TO THE IEPF

In line with the statutory requirements, the Company has transferred to the credit of IEPF set up by the Government of India, equity shares in respect of which dividend had remained unpaid/unclaimed for a period of seven (7) consecutive years within the timelines laid down by the Ministry of Corporate Affairs.

Unpaid/ unclaimed dividend for seven (7) years or more has also been transferred to the IEPF pursuant to the requirements under the Act.

### OTHER DISCLOSURES:

1. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
2. In the opinion of the Board, the Independent Directors appointed / re-appointed during the year are persons of integrity and possess expertise, experience and proficiency.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. No fraud has been reported by the Auditors under section 143(12) of the Act to the Audit Committee or the Board.
5. The Managing Director is not in receipt of Commission from any Company.



## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability confirms that:

- a) in the preparation of the Annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;
- c) they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the Annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **ACKNOWLEDGEMENTS**

Your Directors would like to place on record their sincere appreciation of the support and assistance extended by the Company's Suppliers, Bankers and Business Associates. Your Directors also acknowledge support received from the employees and the esteemed Shareholders and the confidence reposed by them in the Company and its Management.

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

**Date : August 10, 2024**  
**Place : Ankleshwar**

**Dhananjay D. Kanitkar**  
**Chairman**  
**DIN: 03523774**

**Abhishek V. Gami**  
**Managing Director**  
**DIN: 07570948**

## ANNEXURE - A

### MANAGEMENT DISCUSSION AND ANALYSIS

#### **TUNGSTEN CARBIDE INDUSTRY STRUCTURE, PERFORMANCE, DEVELOPMENT, OVERVIEW AND OUTLOOK**

The Management is happy to share that the overall business climate is slowly but certainly improving.

#### **OUTLOOK**

We are pleased to present the Management Discussion and Analysis (MD&A) report for Rapicut Carbides Limited for the Financial Year ended 31st March, 2024. This report aims to provide you with a comprehensive overview of our business performance, key achievements, challenges faced, and future prospects.

The Tungsten Carbide Industry plays a crucial role in various sectors, including Manufacturing, Mining, Construction, Defense and Aerospace. Tungsten Carbide, a hard and wear-resistant material, is known for its exceptional properties, making it highly sought after for cutting tools, drilling equipment, and wear parts. During the year, the Tungsten Carbide Industry experienced several noteworthy trends such as growth in demand for cutting tools, increasing usage in the automotive industry, technological advancements, etc. These trends have not only influenced the industry's overall performance but also opened up new growth opportunities for Companies operating within the sector.

We have no doubt that overall Outlook of the Industry during the current Year holds promise of appreciable growth.

We extend our gratitude to all stakeholders for their continued support and belief in the potential of the Company. As we move forward, we are committed to steering our business towards sustainable growth, adhering to best practices, and delivering long-term value to our shareholders.

#### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONS**

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

Sr. No.	Particulars of Products Manufactured	12 Months ended 31st March, 2024	12 Months ended 31st March, 2023
1.	Metal Cutting	4,94,826 Nos.	4,89,252 Nos.
2.	Mining	3,04,592 Nos.	2,54,520 Nos.
3.	Wear Parts	98,958 Nos.	72,653 Nos.
4.	Intermediates	90,605 Kgs.	58,605 Kgs.
5.	TC Tool Room Products	22,178 Nos.	30,841 Nos.

In all products with the exception of Mining, Company succeeded in securing fairly reasonable volumes. Mining activity was most impacted by emerging substitute product, namely Taper Mining Bit, hence the numbers were restricted to about 80% compared with the previous year.

#### **OPPORTUNITIES AND THREATS**

Opportunities and threats are crucial factors that influence the performance and outlook of the Tungsten Carbide Industry. Understanding these factors is essential for businesses to make informed decisions and develop effective strategies. Here are some key opportunities and threats in the Tungsten Carbide Industry:

<u>OPPORTUNITIES</u>	<u>THREATS</u>
Growing Demand in Industrial Applications	Fluctuating Raw Material Prices
Technological Advancements	Competition from Substitute Materials
Expansion of the Aerospace and Defense Sector	Geopolitical and Trade Factors
Increasing Use in Additive Manufacturing	Economic Downturns
Emerging Economies and Infrastructural Development	Technological Disruptions

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal Control Systems and procedures in the Company are commensurate with nature and size of its business.

It is to be noted that not only the assets of the Company are safeguarded and protected against any losses, but also all the transactions are properly accounted and that they meet the test of legal compliances.

Apart from regular review and monitoring Internal Control Systems by the Company's Internal Control Department, an independent Chartered Accountants firm has been appointed to conduct the internal audit for the Company's manufacturing units. This provides reasonable assurance to the effectiveness of the internal control systems and procedures and reliability of Financial Reporting.

## SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company has only one reportable primary business segment as per Ind AS 108 i.e. Tungsten & Tungsten Carbide Products.

## RISKS AND CONCERNS

The Company evaluates and monitors all risks associated with various areas of operations such as production, sales, inventory Management, debtor's Management with a view to counter the adverse impact of the risk factors, to the extent feasible. However, the element of risks and concerns remains as under: -

- Price Volatility in key raw materials and consumables;
- Uncertainty in sustained stability of Rupee Dollar equation;
- Natural Calamities, and other Unforeseen circumstances like pandemic, etc.

## SAFETY, HEALTH AND ENVIRONMENT (SHE) MANAGEMENT

Your Company continues to adopt best safety practices which have helped avoiding serious accidents. Regular safety inspection of plant and machinery is carried out to prevent accidents

## HUMAN RESOURCES / INDUSTRIAL RELATIONS

Our people related policies span the entire spectrum of hiring the right talent as best as possible, up-skilling them and motivating them. This enables them in putting their best foot forward for fulfilling set targets. We do our best to provide our people healthy work environment that encourages sharing of knowledge, concerns and where the cross-pollination of ideas can always bloom. This reflects in their day to day performance at the ground level.

The details of employees are as under:

Number of Employees at the beginning of the year	99
Number of Employees recruited during the year	19
Number of Employees resigned during the year	14
Number of Employees retired/expired during the year	5
Number of Employees at the end of the year	99

## SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS DURING THE FINANCIAL YEAR 2023-24

The key financial ratios during FY 2023-24 vis a vis FY 2022-23 are as below:

Sr No.	Key Financial Ratios	FY 2023-24	FY 2022-23
1	Current Ratio (in times)	2.67	2.47
2	Debt Equity Ratio (in times)	0.06	0.16
3	Debt Service Coverage ratio (in times)	3.25	(0.99)
4	Return on Equity ratio (%)	2.26	(6.16)
5	Inventory Turnover ratio (no. of days)	268.22	170.32
6	Trade Receivable Turnover Ratio (no. of days)	6.30	3.80
7	Trade Payable Turnover Ratio (no. of days)	6.55	5.33
8	Net Capital Turnover Ratio (in times)	3.38	2.31
9	Net Profit ratio (%)	0.01	(0.03)
10	Return on Capital Employed (%)	0.048	(0.039)
11	Return on Investment (%)	0.05	0.02
12	Interest Coverage Ratio	NA	NA

Explanation on Significant changes in the above ratios:-

- 1 **Current Ratio** : There is no significant change in the said Ratio.
- 2 **Debt Equity Ratio** : The change is mainly due to increase in Collection in CY as compared to PY.
- 3 **Debt Service Coverage Ratio** : The change is mainly due to Cash Loss in PY and Profit in CY with marginal Increase in Interest Cost in CY.
- 4 **Return on Equity Ratio %** : Current year profit due to higher sales & improvement of margin due change in sales mix.
- 5 **Inventory Turnover Ratio** : The change is mainly due to increase in the sales volume during CY.
- 6 **Trade Receivable Turnover Ratio** : The change is mainly due to Increase in the sales volume & collection during CY.
- 7 **Trade Payable Turnover Ratio** : There is no significant change in the said Ratio.
- 8 **Net Capital Turnover Ratio** : The change is mainly due to increase in the sales which leads to increase in working capital.
- 9 **Net Profit Ratio %** : Current year profit due to higher sales & improvement of margin due change in sales mix.
- 10 **Return on Capital Employed %** : The change is mainly due to profit during the current year due to high margin product sold in CY as compare to Loss of PY.
- 11 **Return on Investment %** : Change in Ratio Due to higher interest income compare to previous year.

### CAUTIONARY STATEMENT

Statements made in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations are "forward looking" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

The Management is confident that your Company with its Quality products and Brand Equity and enduring relations with its customers and commitment of its staff, will overcome the disturbing impact of prevailing pandemic and work towards achieving growth in time to come.

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

Date : August 10, 2024  
Place : Ankleshwar

Dhananjay D. Kanitkar  
Chairman  
DIN: 03523774

Abhishek V. Gami  
Managing Director  
DIN: 07570948

**ANNEXURE - B**  
**FORM AOC-2 – RELATED PARTY TRANSACTIONS**

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

(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)

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

Sr. No.	Particulars	Details of contracts or arrangements or transactions not at arm's length basis	Details of material contracts or arrangement or transactions at arm's length basis
1.	Name(s) of the related party and nature of relationship	None	United Wolfram Private Limited (Earlier known as M/s United Wolfram) Shri. Abhishek Gami is a director in United Wolfram Private Limited and Managing Director of Rapicut Carbides Limited. Smt. Shruti A. Gami is a director in United Wolfram Private Limited and Non-Executive Director of Rapicut Carbides Limited.
2.	Nature of contracts/ arrangements/ transactions	None	1) Purchase of Raw Material viz Tungsten Trioxide, Sodium Tungstate and other Raw Materials from United Wolfram Pvt. Ltd. 2) Sale of Finished Products viz Inserts, Buttons and Tungsten Metal Powder, Fused Tungsten Carbide Powder, Tungsten Carbide Powder and other Finished Product to United Wolfram Pvt. Ltd..
3.	Duration of the contracts	None	All the Related Party Transactions were as open Arrangement/ Contract to be executed whenever need arises during the financial year ending March 31, 2024.
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	None	1) Credit period of 45 days available to Rapicut Carbides Limited for making payment for purchase of Raw Material from United Wolfram Private Limited. Total Value of purchase of Raw Material from United Wolfram Private Limited is Rs. 3320.10 Lakhs for financial year 2023-24. 2) Credit period of 45 days provided to United Wolfram Private Limited for making payment for sale of Finished Products by Rapicut Carbides Limited. Total Value of Sale of Finished Products to United Wolfram Private Limited is Rs. 421.83 Lakhs for financial year 2023-24.
5.	Justification for entering into such contracts or arrangements or transactions	None	Not Applicable
6.	Date(s) of approval by the Board	None	Omnibus Approval for Related Party Transaction granted at the Board Meeting held on February 14, 2023. Review of Transaction on the following dates: 29-05-2023      29-10-2023 05-08-2023      29-01-2024
7.	Amount paid as advances, if any:	None	Not Applicable
8.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	None	Not Applicable

For and on behalf of the Board of Directors

Date : August 10, 2024  
Place : Ankleshwar

Dhananjay D. Kanitkar  
Chairman  
DIN: 03523774

Abhishek V. Gami  
Managing Director  
DIN: 07570948

**ANNEXURE "C" TO THE DIRECTORS' REPORT**  
**INFORMATION AS REQUIRED UNDER SECTION 134 (3)(M) OF THE ACT READ AND RULE 8(3)**  
**OF THE COMPANIES (ACCOUNTS) RULES, 2014**

**(A) CONSERVATION OF ENERGY:**

**(i) Steps taken or impact on conservation of energy:**

The Management is very much cautious for minimizing/eliminating any losses in energy consumption. With such watch, the consumption of electricity and its cost is absolutely under control.

**a. Energy Conservation measures taken:**

- Conducting Energy Audit to identify areas of energy wastage and opportunities for improvement.
- Ensure regular maintenance of Heating, Ventilation, and Air Conditioning (HVAC) systems to keep them running efficiently.
- Company has installed LED lighting systems throughout the Company premises as a measure of energy conservation.
- Close monitoring of consumption of electricity, diesel and water.
- Optimum use of Energy by Switching off Machines, Lights, Fans, Air Conditioners and Exhaust Systems whenever not required.
- Creating awareness among employees to conserve energy.

**b. Impact of measures:**

- We replaced worn out insulation in the Chilled Water Pipelines and Heat Exchanges (Condensers) in Vacuum Drying Cabinets (VDCs). This has arrested Power Loss in the transmission lines for the said Equipment.
- We have replaced from Oil base to Water base in VDCs (2 Nos.) This has resulted in appreciable Cost saving. In addition, we have saved cost of 0.5 kw power consumption per hour per VDC.
- Due to measures taken as described above, visible drop in the overall power and fuel oil consumption has resulted.

**c. Details of total energy consumption:**

Sr. No.	Particulars	2023-2024	2022-2023
1	Total Electricity Consumption in unit (kwh)	17,48,720	15,22,313
2	Expenditure on Electricity per annum (Rs in Lakhs)	166.35	135.55
3	Rate of Electricity per unit (In. Rs)	9.51	8.90

**(ii) Steps taken by the Company for utilizing alternate sources of energy:**

The manufacturing unit purchases power from respective State Electricity Board. Steps are taken on a continuous basis to ensure optimal utilization of power.

**(iii) The capital investment on energy conservation equipments:**

The energy conservation equipments, wherever installed, are replaced at intervals to ensure their run at the best capacity and benefit.

**(B) TECHNOLOGY ABSORPTION:**

**(i) Efforts made towards technology absorption:**

The Company has its own Quality Assurance Department which is equipped with instruments of latest technology for testing quality of raw material, finished goods etc. Focus is always on new ideas and innovation to support existing business.

Efforts, in brief, made towards technology absorption, adaptation and innovation:

- Establishment of standardized and improved manufacturing processes
- Continued modernization of analytical techniques

Company actively scouts for new technologies and keep a close eye on technological advancements in their industry. Company invests in training and skill development programs to ensure that their employees are competent in using and managing the new technologies.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:**

- We have cautiously but successfully optimized Charge Loading in our furnaces Network, resulting in Direct Cost saving in the running of these furnaces.
- Focus on efficiency optimization has contributed on obtaining the targeted operations. It is also kept in view that the cost of production does not go beyond the appropriate level.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): -Not Applicable.**

**(iv) Expenditure incurred on Research and Development:**

Expenditure on In-House R & D, as and when incurred, is debited to the respective head of expenses in Statement of Profit and Loss. During the year under review, Expenditure on R & D is Nil.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details of Foreign exchange earnings and outgo is as under:

Sr. No.	Particulars	(Rs in Lakhs)	
		2023-2024	2022-2023
1.	Foreign Exchange earnings (actual inflows)	0.00	5.92
2.	Foreign Exchange expenditure (actual outflows)	1676.92	600.94

For and on behalf of the Board of Directors

Date : August 10, 2024  
Place : Ankleshwar

Dhananjay D. Kanitkar  
Chairman  
DIN: 03523774

Abhishek V. Gami  
Managing Director  
DIN: 07570948

## **ANNEXURE – D**

### **Secretarial Audit Report**

For the Financial Year ended March 31, 2024

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

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rapicut Carbides Limited ("Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that, in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2024 ("review period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the review period, according to the provisions of:

- i. Companies Act, 2013 ("Act") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India (SEBI) Act, 1992:-
  - a. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - b. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c. SEBI (Buy-back of Securities) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - d. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.
  - e. SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - f. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
  - g. SEBI (Delisting of Equity Shares) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.

- h. SEBI (Depositories and Participants) Regulations, 2018;
- i. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.
- j. SEBI (Debenture Trustees) Regulations, 1993; However, there were no actions / events pursuant to these regulations, hence not applicable.

We have also examined compliance with the applicable Clauses / Regulations of the following:-

- i. Secretarial Standards issued by The Institute of Company Secretaries of India; and
- ii. Listing Agreements entered into by the Company with BSE Limited read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**We further report that;**

- A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were changes in the composition of the Board of Directors during the period under review period.
- B. Adequate notice is given to all the Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting;
- C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;
- D. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable Laws, Rules, Regulations and Guidelines;
- E. During the review period, there were no specific instances / actions in the company in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc., having major bearing on the Company's affairs.

**S. Samdani**

Partner

**Samdani Shah & Kabra**

Company Secretaries

FCS No. 3677; CP No. 2863

ICSI Peer Review # 1079/2021

ICSI UDIN:F003677F000946531

**Place : Vadodara | Date : August 10, 2024**

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

## Appendix A

The Members,

**RAPICUT CARBIDES LIMITED**

119, GIDC Industrial Area,  
Ankleshwar – 393 002,  
Gujarat.

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

- i. Maintenance of secretarial records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records and we believe that the processes and practices we followed provide a reasonable basis for our opinion.
- iii. Wherever required, we have obtained the management representation about the Compliance of Laws, Rules and Regulations, happening of events, etc.
- iv. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the Company's affairs.

**S. Samdani**

Partner

**Samdani Shah & Kabra**

Company Secretaries

FCS No. 3677; CP No. 2863

**ICSI Peer Review # 1079/2021**

**ICSI UDIN:F003677F000946531**

**Place : Vadodara | Date: August 10, 2024**



## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Rapicut Carbides Limited  
Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Rapicut Carbides Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss including Other Comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' 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 Act and the Rules made 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 audit opinion.

### Key Audit Matters

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

### Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis and Shareholder's Information but does not include the financial statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

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

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

When we read the information, if we conclude that there is a material misstatement therein, we are required to communicate

the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

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

### **Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(1) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such

disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 except for the matters stated in the paragraph (i) (vi) below on reporting under rule 11(g);
  - (c) the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act;
  - (e) on the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) the observations relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g).
  - (g) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
  - (h) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of

section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors is in accordance with the provisions of section 197 of the Act, as amended;

I. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- I. the Company does not have any pending litigations which would impact its financial position;
- ii. the Company did not have any long-term contracts including derivative contracts as at March 31, 2024 for which there were any material foreseeable losses;
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

- v. The Company has not declared or paid any dividend during the year.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail facility has operated throughout the year for all relevant transactions recorded in the software except in respect of software used for maintenance of Inventories records and Payroll records for which audit trail facility was not active/operational. Further, during the course of our audit we did not come across any instance of audit trail feature (except for Inventory and Payroll records as mentioned above for which it was not active/operational) being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from the period April 1, 2023 reporting under Rule 11(g) of the Companies Act (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ending March 31, 2024.

**For KC Mehta & Co LLP**  
**Chartered Accountants**  
**Firm's Registration No. 106237W/W100829**

**Chhaya M. Dave**  
**Partner**  
**Membership No. 100434**  
**UDIN: 24100434BKBFUW1114**  
**Place: Vadodara**  
**Date: May 06, 2024**

**"ANNEXURE-A"**  
**TO THE INDEPENDENT AUDITOR'S REPORT**

The annexure referred to in our Independent Auditors' Report to the members of **Rapicut Carbides Limited** ("the Company") on the financial statements for the year ended March 31, 2024, we report that:

- i. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of Property, Plant and Equipment which in our opinion is reasonable. The assets which were to be covered as per the said program have been physically verified by the Management during the Year. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title/ lease deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the Financial Statements are held in the name of the Company.
- (d) The Company has not revalued its Plant, Property & Equipments or intangible assets or both during the year, and hence reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and its nature of its operations. As explained to us, there were no discrepancies of 10% or more in aggregate for each class of inventory on physical verification of inventory as compared to the books of records.
- (b) According to the information and explanations given to us, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The quarterly statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company and the details are as follows:

Quarter	Particulars	Amount as per books of accounts (₹ in Lakhs)	Amount as reported in quarterly statement (₹ in Lakhs)	Amount of difference (₹ in Lakhs)
Jun-23	Inventory	1572.58	1281.11	291.47
Sep-23	Inventory	1972.31	1499.14	473.17
Dec-23	Inventory	1786.01	1572.31	213.70
Jun-23	Trade Receivables	810.74	772.78	37.96
Sep-23	Trade Receivables	1154.80	1093.99	60.81
Dec-23	Trade Receivables	1234.50	1110.73	123.77
Mar-24	Trade Receivables	867.01	844.04	22.97
Jun-23	Trade Payables	925.28	689.45	235.83
Sep-23	Trade Payables	1268.6	1006.17	262.43
Mar-24	Trade Payables	809.03	535.56	273.47

### Reasons of discrepancies:

As explained to us:

1. While submitting stock statements to the bank, the Company has not considered the inventory details of stores, spares, materials in transit and non-moving inventory.
2. While submitting statements of Trade Receivables and Trade Payables, the Company has not considered outstanding balances for more than 180 days.
- iii. The Company has not made investment in, provided any guarantee or security or granted any loans, or advance in nature of loans, secured or unsecured to companies, firms, Limited Liability Partnership or any other parties during the year, and therefore, reporting under this clause (iii) of the order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not provided any guarantees or security to the parties covered under section 185 of the Act and the Company has complied with the provisions of Section 185 and 186 of the Act in respect of the investments made.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are considered to be deemed deposits during the year, hence directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder are not applicable to the Company. According to information and explanations provided to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Amendments Rules 2014, as amended, prescribed by the Central Government for maintenance of cost records under section 148 (1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including Goods and Services Tax, provident fund, employee's state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it. Further, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employee's state insurance, income tax, value added tax, cess and any other statutory dues were in arrears, as at March 31, 2024, for a period of more than six months from the date they become payable.  
(b) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no disputed statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of any disputes.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowing or in the payment of interest to any lender during the year.  
(b) According to the information and explanations given to us and on the basis of audit procedures, we report that the Company has not been declared wilful defaulter by any Bank or Financial Institution or Government or any Government Authority.  
(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year, and hence reporting under clause 3(ix) (c) of the Order is not applicable to the Company.  
(d) On an overall examination of the Financial Statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.

- (e) The Company does not have any Subsidiaries, Associates or Joint Ventures and hence reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company has not raised any loans during the year and therefore reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised any money by way of Initial Public Offer or Further Public Offer (including debt instruments) during the year, and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made any Preferential Allotment or Private Placement of Shares or Convertible Debentures (fully or partly or optionally), and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations give to us, we have neither come across any instance of fraud by the Company or any fraud on the Company has been noticed or reported during the year nor have we been informed of any such case by the Management of the Company.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report;
- (c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year.
- xii. The Company is not a Nidhi company, and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable Ind AS.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an Internal Audit System commensurate with the size and nature of its business;
- (b) We have considered, the Internal Audit Reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit however, the company has incurred cash losses during the immediately preceding financial year of Rs. 52.46 Lakhs.
- xviii. There has been no resignation of the Statutory Auditors during the year.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material

uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- xx. According to the information and explanation given to us, section 135 of the Act is not applicable to the Company and therefore, reporting under this clause of the order of not applicable to the Company.
- xxi. The Company is not required to prepare consolidated financial statements and therefore, reporting under this clause of the order is not applicable to the company.

**For K C Mehta & Co LLP**  
**Chartered Accountants**  
**Firm's Registration No. 106237W/W100829**

**Chhaya M. Dave**  
**Partner**  
**Membership No. 100434**  
**UDIN: 24100434BKBFUW1114**  
**Place: Vadodara**  
**Date: May 06, 2024**



## ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Rapicut Carbides Limited** on the financial statements of even date)

### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Subsection 3 of Section 143 of the Act.**

We have audited the internal financial controls with reference to financial statements of **Rapicut Carbides Limited** ("the Company") as of March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to financial statements**

Company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, 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 K C Mehta & Co LLP**

**Chartered Accountants**

**Firm's Registration No. 106237W/W100829**

**Chhaya M. Dave**

**Partner**

**Membership No. 100434**

**UDIN: 24100434BKBFUW1114**

**Place: Vadodara**

**Date: May 06, 2024**


**BALANCE SHEET AS AT MARCH 31, 2024**

(₹ in Lakhs)

SR. NO.	Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
<b>ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Property, Plant and Equipment	6	459.16	435.74	
(b) Capital work-in-progress	7	-	40.31	
(c) Other Intangible assets	8	0.14	0.36	
(d) Financial Assets				
(i) Investments	9	15.06	13.26	
(ii) Other Financial Assets	10	24.05	28.55	
(e) Deferred tax assets (net)	11	12.76	20.21	
(f) Other non-current assets	12	8.19	-	
<b>Total non-current assets</b>		<b>519.36</b>	<b>538.43</b>	
<b>(2) Current Assets</b>				
(a) Inventories	13	1,939.18	1,751.61	
(b) Financial Assets				
(i) Trade receivables	14	867.01	1,042.45	
(ii) Cash and cash equivalents	15	1.66	6.25	
(iii) Other bank balances	16	20.32	25.90	
(c) Current Tax Assets (Net)	17	7.21	31.09	
(d) Other current assets	18	8.85	16.75	
<b>Total current assets</b>		<b>2,844.23</b>	<b>2,874.05</b>	
<b>Total assets</b>		<b>3,363.59</b>	<b>3,412.48</b>	
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	19	537.12	537.12	
(b) Other Equity	20	1,653.00	1,604.72	
<b>Total Equity</b>		<b>2,190.13</b>	<b>2,141.84</b>	
<b>LIABILITIES</b>				
<b>(1) Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	21	-	1.20	
(b) Non Current Provisions	22	106.37	105.61	
(c) Other non-current liabilities	23	0.07	0.07	
<b>Total non-current liabilities</b>		<b>106.44</b>	<b>106.88</b>	
<b>(2) Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	24	124.98	341.40	
(ii) Trade payables	25			
(A) due to micro enterprises and small enterprises		447.80	341.89	
(B) due to other than micro enterprises and small enterprises		361.23	318.11	
(iii) Other financial liabilities	26	69.19	68.99	
(b) Other current liabilities	27	48.17	78.59	
(c) Short Term Provisions	28	15.65	14.79	
<b>Total current liabilities</b>		<b>1,067.02</b>	<b>1,163.75</b>	
<b>Total Equity and Liabilities</b>		<b>3,363.59</b>	<b>3,412.48</b>	
<b>Significant Accounting Policies and Notes to Financial Statements</b>	<b>1- 43</b>			

As per our report of even date attached

For and on behalf of the Board

 For K. C. Mehta & Co. LLP  
 Chartered Accountants  
 Firm's Registration No. 106237W/W100829

 Dhananjay D Kanitkar  
 Chairman & Non-Executive Director  
 DIN: 03523774

 Abhishek V. Gami  
 Managing Director  
 DIN: 07570948

 Chhaya M. Dave  
 Partner  
 Membership No. 100434

 Vinay C. Sura  
 Chief Financial Officer  
 Place : Ankleshwar  
 Date : May 6, 2024

 Komal P. Soni  
 Company Secretary  
 M. No. : A66843

 Place : Vadodara  
 Date : May 6, 2024



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024** (₹ in Lakhs)

Particulars	Note No.	For the year ended 31st	For the year ended 31st
		March, 2024	March, 2023
I Revenue from operations	29	6015.81	3957.26
II Other income	30	11.70	0.57
<b>III Total income (I+II)</b>		<b>6027.51</b>	<b>3957.84</b>
<b>IV EXPENSES</b>			
a. Cost of materials consumed	31	4949.73	2835.48
b. Changes in Inventories of finished goods, Stock-in- trade and work-in-progress	32	(322.63)	153.86
c. Employee benefits expense	33	519.95	474.05
d. Finance costs	34	48.06	29.28
e. Depreciation and amortisation expense	35	52.90	60.20
f. Other expenses	36	723.48	517.62
<b>Total expenses (IV)</b>		<b>5971.49</b>	<b>4070.49</b>
<b>V Profit/(loss) before tax (III-IV)</b>		<b>56.01</b>	<b>(112.65)</b>
<b>VI Tax expense:</b>	37		
(a) Current tax		-	-
(b) Adjustment of tax relating to earlier periods		(0.24)	0.52
(c) Deferred tax		7.22	22.07
<b>VII Profit /(loss) for the period (V-VI)</b>		<b>49.04</b>	<b>(135.25)</b>
<b>VIII Other comprehensive income</b>	38		
A (i) Items that will not be reclassified to profit or loss		(0.52)	24.76
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.23)	6.31
B (i) Items that will be reclassified to profit or loss		-	-
<b>IX Total Comprehensive Income for the period (VII+VIII)</b>		<b>48.28</b>	<b>(104.18)</b>
<b>X Earnings per equity share</b>		<b>0.91</b>	<b>(2.52)</b>
<b>Basic (In ₹)</b>			
<b>Diluted (In ₹)</b>		<b>0.91</b>	<b>(2.52)</b>
<b>Significant Accounting Policies and Notes to Financial Statements</b>	1- 43		

As per our report of even date attached

For K. C. Mehta & Co. LLP  
Chartered Accountants  
Firm's Registration No. 106237W/W100829

Chhaya M. Dave  
Partner  
Membership No. 100434

Place : Vadodara  
Date : May 6, 2024

Dhananjay D Kanitkar  
Chairman & Non-Executive Director  
DIN: 03523774

Vinay C. Sura  
Chief Financial Officer  
Place : Ankleshwar  
Date : May 6, 2024

For and on behalf of the Board

Abhishek V. Gami  
Managing Director  
DIN: 07570948

Komal P. Soni  
Company Secretary  
M. No. : A66843



**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024**

(₹ in Lakhs)

Particulars	For the year Ended 31st March 2024	For the year Ended 31st March 2023
	(Audited)	(Audited)
<b>[A] CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	56.01	(112.65)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	52.90	60.20
Loss on Property, Plant and Equipment sold/discarded	(7.88)	0.04
Interest Paid	43.70	24.30
Interest Income	(1.19)	(0.44)
Dividend received	(0.04)	(0.04)
Sundry balances written off	4.16	1.91
Upward Revaluation of Investment	(1.81)	(2.44)
<b>Operating Profit before changes in working capital</b>	<b>145.87</b>	<b>(29.13)</b>
<b>Adjustment for (Increase)/Decrease in Operating Assets</b>		
Inventories	(187.56)	(173.58)
Trade Receivables	175.44	(2.87)
Other Financial Assets	29.46	2.65
Other Assets	31.78	(10.41)
<b>Adjustment for Increase/(Decrease) in Operating Liabilities</b>		
Trade Payables	149.03	157.51
Provisions	1.95	(19.62)
Other Liabilities	(30.73)	47.44
Other Financial Liabilities	(1.20)	(1.96)
<b>Cash flow from operations after changes in working capital</b>	<b>314.04</b>	<b>(29.96)</b>
Net Direct Taxes (Paid)/Refunded	(23.88)	1.18
<b>Net Cash Flow from/(used in) Operating Activities</b>	<b>290.16</b>	<b>(28.78)</b>
<b>[B] CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment including Capital Advances & CWIP	(50.52)	(98.42)
Proceeds from Sale of Property, Plant and Equipment	22.60	28.47
Advance for Purchase of Fixed Assets	(8.19)	-
Interest Income	1.19	0.44
Dividend received	0.04	0.04
Bank Balances not considered as Cash and Cash Equivalents	-	-
<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>(34.87)</b>	<b>(69.46)</b>
<b>[C] CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Repayment )/ addition of Borrowings	(216.41)	127.34
Finance cost	(43.46)	(24.83)
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>(259.87)</b>	<b>102.51</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>(4.59)</b>	<b>4.27</b>
Cash & Cash Equivalents at beginning of year (see Note 1)	6.25	1.83
<b>Cash and Cash Equivalents at end of year (see Note 1)</b>	<b>1.66</b>	<b>6.11</b>

**Notes:**

<b>1 Cash and Cash equivalents comprise of:</b>		
Cash on Hands	0.46	0.39
Balance with Banks		
In Current Accounts	1.20	5.72
<b>Cash and Cash equivalents as restated</b>	<b>1.66</b>	<b>6.11</b>
<b>2 Figures of the previous year have been regrouped / reclassified wherever necessary.</b>		

As per our report of even date attached

For and on behalf of the Board

For K. C. Mehta & Co. LLP  
Chartered Accountants  
Firm's Registration No. 106237W/W100829

Dhananjay D Kanitkar  
Chairman & Non-Executive Director  
DIN: 03523774

Abhishek V. Gami  
Managing Director  
DIN: 07570948

Chhaya M. Dave  
Partner  
Membership No. 100434

Vinay C. Sura  
Chief Financial Officer  
Place : Ankleshwar  
Date : May 6, 2024

Komal P. Soni  
Company Secretary  
M. No. : A66843

Place : Vadodara  
Date : May 6, 2024

**Statement of Changes in Equity for the year ended March 31, 2024**
**A. Equity Share Capital**
**(₹ in Lakhs)**

Particulars	Amount
Balance as at 1st April, 2022	537.12
Changes in Equity share capital due to prior period errors	-
Restated balance as at 1st April, 2022	537.12
Additions/(Reductions)	-
Balance as at 31st March, 2023	537.12
<b>Balance as at 1st April, 2023</b>	<b>537.12</b>
<b>Additions/(Reductions)</b>	<b>-</b>
<b>Balance as at 31st March, 2024</b>	<b>537.12</b>

**B. Other Equity**
**(₹ in Lakhs)**

Particulars	Reserve & Surplus				Other Items of other comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	Other Reserve (General Reserve)	Retained Earnings		
Balances as at 31st March, 2022	29.06	127.16	530.00	1106.82	(84.13)	1,708.90
<b>Movement during the year:</b>						
Profit for the period	-	-	-	(135.25)	-	(135.25)
Other Comprehensive Income for the year, net of income tax *	-	-	-	-	2.56	28.63
Net fair value gain/(loss) on investment in equity instrument carried through OCI, net of income tax	-	-	-	-	1.81	2.44
Balances as at 31st March, 2023	29.06	127.16	530.00	971.56	(53.81)	1,604.72
<b>Movement during the year:</b>						
Profit for the period	-	-	-	49.04	-	49.04
Other Comprehensive Income for the year, net of income tax *	-	-	-	-	(2.56)	(2.56)
Net fair value gain/(loss) on investment in equity instrument carried through OCI, net of income tax	-	-	-	-	(1.81)	1.81
<b>Balances as at 31st March, 2024</b>	<b>29.06</b>	<b>127.16</b>	<b>530.00</b>	<b>1,020.59</b>	<b>(53.81)</b>	<b>1,653.00</b>

\* Represents remeasurement gain/(loss) on the Defined Benefit Plans

**Significant Accounting Policies and Notes to Financial Statements**
**1- 43**

As per our report of even date attached

For and on behalf of the Board

For K. C. Mehta & Co. LLP  
Chartered Accountants  
Firm's Registration No. 106237W/W100829

Dhananjay D Kanitkar  
Chairman & Non-Executive Director  
DIN: 03523774

Abhishek V. Gami  
Managing Director  
DIN: 07570948

Chhaya M. Dave  
Partner  
Membership No. 100434

Vinay C. Sura  
Chief Financial Officer  
Place : Ankleshwar  
Date : May 6, 2024

Komal P. Soni  
Company Secretary  
M. No. : A66843

Place : Vadodara  
Date : May 6, 2024

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

### Note No. 1.

#### 1. Corporate Information

Rapicut Carbides Limited ("the Company") was incorporated as a Public Limited Company in April 1977, and Commercial Production Commenced in October 1979.

The Company is a public limited company domiciled and incorporated in India and having its registered office at 119, GIDC Industrial Area, on National Highway BOM-AHM, Ankleshwar, Gujarat. The Company's shares are listed and traded on the Bombay Stock Exchange Ltd. (BSE). The company is engaged in business of manufacturing of Tungsten Carbide products used in metal cutting, mining, wear parts and various other industries.

Gujarat Drillwell Private Limited promoted with technical knowhow provided by RCL was merged with the company in the year 1993.

The financial statements of the Company are approved by the Company's Board of directors on May 6, 2024.

#### 2. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act as amended from time to time.

#### 3. Basis of Preparation of Financial Statements

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

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the material accounting policies. These accounting policies have been applied consistently to all the periods presented in the financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Schedule III (Division II) to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees (INR), which is Company's presentation and functional currency and all amounts are rounded off to the nearest lakhs (up to two decimals) except when otherwise indicated.

#### 4. Operating Cycle and classification of current and non-current:

Operating cycle of the Company is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, the same has been assumed to have duration of twelve months. Accordingly, all assets and liabilities are classified as current or non-current as per the Company's operating cycle, and other criteria set out in Ind AS-1 "Presentation of Financial Statements" and the Schedule III to the Companies Act, 2013.

(i) An asset is current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

(ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non - current.

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

## 5. Material Accounting Policy information

### 5.1 Basis of Measurement:

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

- Certain financial assets- measured at fair value (refer accounting policy regarding financial instruments);
- Net defined benefit (assets)/liability - measured at fair value of plan assets less present value of defined benefit obligation.

### 5.2 Use of Estimates:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known /materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

### 5.3 Fair Value Measurement:

The Company measures financial instruments at fair value at each balance sheet date.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, which gives highest priority to quoted prices in active markets and the lowest priority to unobservable inputs.

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### 5.4. Property, Plant and Equipment

The Company has elected to continue with the carrying value of its Property Plant & Equipment (PPE) recognized as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of IndAS 101.

Property, Plant & Equipment (PPE) comprises of Tangible assets and Capital Work in progress. PPE are stated at cost, net of tax/duty credit availed, if any, after reducing accumulated depreciation and accumulated impairment losses, if any, until the date of the Balance Sheet. The cost of PPE comprises of its purchase price or its construction cost (net of applicable tax credit, if any), any cost directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Direct costs are capitalized until the asset is ready for use and includes borrowing cost capitalized in accordance with the Company's accounting policy.

Capital work in progress includes the cost of PPE that are not yet ready for the intended use.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

#### Depreciation

Depreciation is provided on the cost of Property, Plant and Equipment less their estimated residual value, using the straight-line method over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013 or based on internal technical evaluation. The management believes that the useful lives as assessed best represent the period over which management expects to use these assets.

Useful lives of following class of PPE are as prescribed under Part C of Schedule II to the Companies Act, 2013, which are as under: -

Asset Description	Assets Useful life (in Years)
Factory Building	30
Building other than Factory Building	60
Lease Hold Land	99
Data Processing Equipment	6
Plant and Machinery	10
Furniture and Fixtures	10
Vehicle	8

The estimated useful lives, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

## 5.5. Intangible Assets

The Company has elected to continue with the carrying value of its Intangible assets recognized as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of IndAS 101.

Intangible assets with finite useful life acquired separately, are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized over the estimated period of benefit, not exceeding five years.

Intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible assets are amortized on Straight Line Method from the date they are available for use, over the useful lives of the assets as estimated by the Management as under:

Asset Description	Assets Useful life (in Years)
Software	5

## 5.6. Impairment of non-financial assets

The Company reviews at each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit & Loss. If at the reporting period, there is an indication that there is change in the previously assessed impairment loss, the recoverable amount is reassessed and the asset is reflected at the lower of its recoverable amount and the carrying amount that is determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates which has the effect of increasing the asset's recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that has been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the Statement of Profit and Loss.

## 5.5. Inventories

Inventories are valued at lower of cost and net realizable value after providing for impairment and other losses, where considered necessary. The basis of determining the value of each class of inventory is as follows:

Inventories	Cost Formulae
Raw Material, packing materials	Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.
Raw Material (Goods in transit)	At invoice price
Work -in-progress	Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.
Finished Goods (Including in Transit)	At Cost, comprising of raw material cost, labour cost and appropriate proportion of manufacturing expenses and overheads.
Traded goods	Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.
Waste and Scarp	Waste and scrap are not separately valued being insignificant in value.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.	

## 5.8. Employee Benefit

### (i) Defined Contribution Plan

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

**(ii) Defined Benefit Plan**

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

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

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

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

**(iii) Short Term Employee Benefits**

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

**(iv) Other Long Term Employee Benefits**

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

**5.9. Foreign Exchange Transactions**

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the spot exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated using closing exchange rate prevailing on the last day of the reporting period.

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

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

**5.10. Financial Instruments**

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

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

**a. Initial Recognition:**

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

**b. Classification and Subsequent Measurement: Financial Assets**

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets.

**c. Amortized Cost:**

A financial asset shall be classified and measured at amortized cost, if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**d. Fair Value through Other Comprehensive Income (FVTOCI) :**

A financial asset shall be classified and measured at FVTOCI, if both of the following conditions are met:

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

**e. Fair Value through Profit or Loss (FVTPL):**

A financial asset shall be classified and measured at FVTPL unless it is measured at amortized cost or at FVTOCI.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

**f. Impairment of financial assets:**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial Assets are measured at amortized cost e.g., deposits, trade receivables and bank balance

Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

#### General Approach

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

#### **g. Trade receivables**

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

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

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

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

#### **h. Derecognition of financial assets:**

The Company derecognizes a financial asset when the contractual right to receive the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

#### **5.11. Classification and Subsequent Measurement:**

##### **Financial liabilities:**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

##### **a. Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

##### **b. Other Financial Liabilities at amortized cost:**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

##### **c. Financial liabilities and equity instruments:**

###### **• Classification as debt or equity:**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

###### **• Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by a Company are recognized at the proceeds received.

**d. Derecognition of Financial Liabilities:**

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

**e. Offsetting:**

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

## 5.12. Leases

### As a lessee

The Company's lease assets primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset.
- the Company has substantially all the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases and corresponding Right-of-use Asset. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The Right-of-use Assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability.

Right-of-use Assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

### As a lessor

The Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income from operating lease is recognized in the statement of profit and loss on straight line basis over the Lease term.

### 5.13. Borrowing Costs

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings.

General and specific borrowing costs attributable to acquisition and construction of qualifying assets is added to the cost of the assets upto the date the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period to get ready for its intended use. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

### 5.14. Statement of Cash Flows

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

### 5.15. Income Taxes

Income tax expense represents the sum of the current tax and deferred tax.

#### a. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

#### b. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### c. Current and Deferred Tax Expense for the Year

Current and deferred tax expense is recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

### **5.16. Revenue Recognition**

The Company derives Revenue primarily from sale of manufactured and traded products being "Tungsten Carbides Products".

Revenues from sale of goods or services are recognized upon transfer of control of the goods or services to the customer in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration & customer's right to return the goods and the same represents amounts receivable for goods and services provided in the normal course of business. Revenue also excludes taxes collected from customers. Any retrospective revision in prices is accounted for in the year of such revision.

Revenue is recognized at a point in time on accrual basis as per the terms of the contract, when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

The contract asset or a contract liability is recognized when either party to a contract has performed, depending on the relationship between the entity's performance and the customer's payment. When the Company has a present unconditional right to consideration, it is recognized separately as a receivable.

Sale of products excludes amounts of indirect taxes on sales.

#### **Interest Income**

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

#### **Dividend Income**

Dividend income is recognized when the right to receive the same is established.

#### **Other Income**

Other income is recognized on accrual basis except when realization of such income is uncertain.

### **5.17. Earnings Per Share**

Basic earnings per share is computed by dividing the profit / (loss) after tax with the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, with the aggregate of weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

### **5.18. Segment Reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Making Body (CODM) in deciding how to allocate resources and in assessing performance.

The Company operates in one reportable business segments i.e., "Tungsten Carbides Products".

### **5.19. Provision, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). If the time value of money is material, Provisions are discounted using pre-tax discount rate and when discounting is used, increase in the provision with the passage of time is recognized as a finance cost in the statement of Profit and Loss account.

A contingent liability is (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or (b) a present obligation that arises from past events but is not recognized because (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

A contingent asset is a possible asset that arises from the past events and whose existence will be confirmed only by the occurrence or non- occurrence of one or more of uncertain future events not wholly within the control of the entity.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

### **5.20 Critical accounting judgments, assumptions and Key sources of estimation uncertainty:**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key source of judgments, assumptions and estimates in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives of Property, Plant and Equipment, impairment, employee benefit obligations, provisions, provision for income tax, measurement of deferred tax assets and contingent assets & liabilities.

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

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

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

**(ii) Recognition and measurement of defined benefit obligations:**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations being carried out at reporting date. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, Salary escalation rate, expected rate of return on asset and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

**(iii) Recognition of income taxes:**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions as also to determine the amount of deferred tax that can be recognized, based upon the likely timing and the level of future taxable profits.

**(iv) Recognition of Deferred tax assets:**

Deferred Tax Assets (DTA) are recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits.

**(v) Recognition and measurement of provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**(vi) Determining whether an arrangement contains a lease:**

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the

payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

**(vii) Contingent Liabilities and Assets:**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractual, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

**(viii) Allowance for impairment of trade receivable:** The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

**(ix) Impairment of non-financial assets:**

Evaluation for impairment requires use of judgment, estimates and assumptions.

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the idle assets etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment and such assessment is based on estimates, future plans as envisaged by Company.

**5.21 Recent pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

## 6. Property, Plant and Equipment

(₹ in Lakhs)

Particulars / Assets	Right-of-use Assets (Lease Hold Land)	Building	Plant and Machinery	Data Process Equipments	Furniture and Fixtures	Vehicles	Total
<b>GROSS BLOCK</b>							
As at 1st April, 2022	3.52	306.46	963.23	41.40	45.85	60.68	1421.14
Additions	0.00	35.29	65.23	1.10	3.87	0.92	106.41
Deduction/Adjustments	0.00	0.00	0.68	0.00	0.00	27.80	28.47
<b>As at 31st March, 2023</b>	<b>3.52</b>	<b>341.75</b>	<b>1027.78</b>	<b>42.50</b>	<b>49.72</b>	<b>33.80</b>	<b>1499.07</b>
Additions	0.00	21.35	52.26	3.09	1.32	0.00	78.02
Deduction/Adjustments	-	-	24.91	-	-	13.48	38.39
<b>As at 31st March, 2024</b>	<b>3.52</b>	<b>363.10</b>	<b>1055.13</b>	<b>45.59</b>	<b>51.04</b>	<b>20.33</b>	<b>1538.70</b>
<b>ACCUMULATED DEPRECIATION</b>							
As at 1st April, 2022	1.58	143.22	790.94	33.77	23.62	31.81	1,024.95
Depreciation	0.04	6.39	40.45	2.31	3.55	5.44	58.17
Disposal	-	-	0.30	-	-	19.50	19.79
<b>As at 31st March, 2023</b>	<b>1.62</b>	<b>149.61</b>	<b>831.09</b>	<b>36.08</b>	<b>27.17</b>	<b>17.75</b>	<b>1,063.33</b>
Depreciation	0.04	6.03	37.32	1.94	3.89	3.47	52.69
Disposal	-	-	23.67	-	-	12.80	36.47
<b>As at 31st March, 2024</b>	<b>1.65</b>	<b>155.64</b>	<b>844.75</b>	<b>38.02</b>	<b>31.06</b>	<b>8.42</b>	<b>1,079.55</b>
<b>Net Block</b>							
As at 31st March, 2023	1.91	192.14	196.68	6.42	22.55	16.05	435.74
<b>As at 31st March, 2024</b>	<b>1.87</b>	<b>207.46</b>	<b>210.38</b>	<b>7.57</b>	<b>19.98</b>	<b>11.90</b>	<b>459.16</b>

### Note:

- 1) The Company has elected to continue with the carrying value of its Property Plant & Equipment (PPE) recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.
- 2) The aggregate depreciation charge for the year has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

**7. Capital work-in-progress**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Construction Work in Progress - Fixed Assets</b>		
Balance as at beginning of the year	40.31	34.47
Add: Additions during the year	10.20	40.31
Less: Transfer to Property, Plant and Equipment	50.51	34.47
<b>TOTAL</b>	-	40.31

**7.1 Ageing Schedule of Capital work-in-progress (Projects in process):**

As at 31st March 2024

(₹ in Lakhs)

Particulars	Amounts in CWIP For the period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 Years	
i) Projects in Progress	-	-	-	-	-
ii) Projects temporarily suspended	-	-	-	-	-

As at 31st March 2023

(₹ in Lakhs)

Particulars	Amounts in CWIP For the period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 Years	
i) Projects in Progress	40.31	-	-	-	40.31
ii) Projects temporarily suspended	-	-	-	-	-

**7.2 Completion Schedule of CWIP whose completion is overdue or has exceeded it's compared cost to it's original plan:**

As at 31st March 2024

(₹ in Lakhs)

Particulars	To be completed in			
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 Years
Projects in progress	-	-	-	-
i) Project 1	-	-	-	-
Projects temporarily suspended	-	-	-	-

As at 31st March 2023

(₹ in Lakhs)

Particulars	To be completed in			
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 Years
Projects in progress	-	-	-	-
i) Project 1	40.31	-	-	-
Projects temporarily suspended	-	-	-	-

In case of Project 1, the costs doesn't have exceeded the original plan approved by the Board of Directors.

## 8. Intangible Assets

(₹ in Lakhs)

Particulars /Assets	Computer Software	Total
<b>GROSS BLOCK</b>		
As at 1st April, 2022	30.98	30.98
Additions	0.21	0.21
Deduction/Adjustments	-	-
<b>As at 31st March, 2023</b>	<b>31.19</b>	<b>31.19</b>
Additions	-	-
Deduction/Adjustments	-	-
<b>As at 31st March, 2024</b>	<b>31.19</b>	<b>31.19</b>
<b>ACCUMULATED AMORTIZATION</b>		
As at 1st April, 2022	28.80	28.80
Depreciation	2.03	2.03
Disposal	-	-
<b>As at 31st March, 2023</b>	<b>30.83</b>	<b>30.83</b>
Depreciation	0.22	0.22
Disposal	-	-
<b>As at 31st March, 2024</b>	<b>31.05</b>	<b>31.05</b>
<b>Net Block</b>		
As at 31st March, 2023	0.36	0.36
<b>As at 31st March, 2024</b>	<b>0.14</b>	<b>0.14</b>

- 1) The Company has elected to continue with the carrying value of its intangible assets recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.
- 2) The aggregate amortisation charge for the year has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

**9. Investments**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investments in Equity Instruments (Note 9.1)	15.06	13.26
<b>Total</b>	<b>15.06</b>	<b>13.26</b>

**9.1 Investments in Equity Instruments**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Investments in other entities (at FVTOCI)</b>		
<b>(a) Investments in Unquoted Securities (at FVTOCI)</b> 1,581 (P.Y. 1,581) equity shares of BEIL Infrastructure Ltd. (Formerly known as Bharuch Enviro Infrastructure Ltd.) (Fully paid up) (Face Value ₹ 10 per share)	15.06	13.26
<b>Total Investments in other entities</b>	<b>15.06</b>	<b>13.26</b>
Aggregate carrying value of unquoted investments	15.06	13.26

**10. Financial Assets - Others**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Security Deposits</b>		
- Considered Good	24.05	28.55
<b>Total</b>	<b>24.05</b>	<b>28.55</b>

**11. Deferred tax assets (net)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred Tax Assets	12.76	20.21
<b>Total</b>	<b>12.76</b>	<b>20.21</b>

2023-24

**Major Components and Reconciliation of Deferred Tax Assets/Liabilities**

(₹ in Lakhs)

Particulars	Opening Balance	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Closing Balance
<b>Deferred tax liability on account of:</b>				
Remeasurement of Investment	2.65	0.75	(0.38)	3.02
Property, Plant & Equipment, Intangible assets	8.70	7.50	-	16.20
Total Deferred Tax Liabilities	11.35	8.25	(0.38)	19.22
<b>Deferred tax asset on account of:</b>				
Provision for Doubtful debts	0.26	-	-	0.26
Provision for Gratuity	24.10	0.20	(0.61)	23.70
Provision for Leave encashment	7.21	0.82	-	8.03
Total Deferred Tax Assets	31.57	1.03	(0.61)	31.99
<b>Net Deferred Tax</b>	<b>20.21</b>	<b>7.22</b>	<b>0.23</b>	<b>12.76</b>

2022-23

**Major Components and Reconciliation of Deferred Tax Assets/Liabilities**

(₹ in Lakhs)

Particulars	Opening Balance	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Closing Balance
<b>Deferred tax liability on account of:</b>				
Remeasurement of Investment	2.15	1.01	(0.50)	2.65
Property, Plant & Equipment, Intangible assets	10.12	(1.42)	0.00	8.70
Total Deferred Tax Liabilities	12.27	(0.41)	(0.50)	11.35
<b>Deferred tax asset on account of:</b>				
Provision for Doubtful debts	0.26	-	-	0.26
Unabsorbed Depreciation*	11.58	(11.58)	0.00	0.00
Provision for Gratuity	28.41	(10.11)	5.80	24.10
Provision for Leave encashment	8.00	(0.79)	-	7.21
Total Deferred Tax Assets	48.25	(22.48)	5.80	31.57
<b>Net Deferred Tax</b>	<b>35.98</b>	<b>(22.07)</b>	<b>6.30</b>	<b>20.21</b>

\*As matter of prudence and in the absence of strong convincing evidence about availability of future taxable profits, deferred tax assets (DTA) on unused tax losses have been not recognised.

**12. Other Non Current Assets**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Capital advances	8.19	-
<b>Total</b>	<b>8.19</b>	<b>-</b>

**13. Inventories \***

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Raw Material	403.30	542.86
Work in Progress	845.80	483.97
Finished goods	310.92	350.12
Stores and Spare parts	379.15	374.66
<b>Total</b>	<b>1,939.18</b>	<b>1,751.61</b>

\* Valuation of inventories are done as per point no. 5.7 of significant accounting policies.

**14 Trade Receivables**
**(₹ in Lakhs )**

Particulars	As at 31st March, 2024	As at 31st March, 2023
a) Secured, Considered Good		
b) Un-Secured:		
Considered good		
Dues from Related Party	31.27	16.55
Dues from Others	836.74	1026.90
Considered doubtful	-	-
c) Which has significant increase in credit risk	-	-
d) Credit impaired	-	-
Less:		
Allowance for expected credit losses (Refer Note 14.1)	1.00	1.00
<b>Total Net Current receivable</b>	<b>867.01</b>	<b>1042.45</b>

**\* Trade receivables includes:**
**(₹ in Lakhs )**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Due by Company in which Directors are Directors	31.27	16.55

**14.1 Movement in Expected Credit Loss Allowance**
**(₹ in Lakhs )**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Balance at beginning of the year</b>	<b>1.00</b>	<b>1.00</b>
Movement in Expected Credit Loss Allowance on trade receivables calculated at lifetime expected credit losses		
<b>Balance at end of the year</b>	<b>1.00</b>	<b>1.00</b>

## 14.2 Ageing Schedule for Trade receivables

2023-24

(₹ in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
i) Undisputed - considered good	-	-	796.97	71.04	-	-	-	868.01
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed - credit impaired	-	-	-	-	-	-	-	-
iv) Disputed - considered good	-	-	-	-	-	-	-	-
v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed - credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>796.97</b>	<b>71.04</b>	-	-	-	<b>868.01</b>

2022-23

(₹ in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
i) Undisputed - considered good	-	-	1,037.32	0.74	3.52	0.31	1.56	1,043.45
ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed - credit impaired	-	-	-	-	-	-	-	-
iv) Disputed - considered good	-	-	-	-	-	-	-	-
v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed - credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>1,037.32</b>	<b>0.74</b>	<b>3.52</b>	<b>0.31</b>	<b>1.56</b>	<b>1,043.45</b>

## 15. Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks		
In current accounts	1.20	5.86
Cash on hand	0.46	0.39
<b>Total</b>	<b>1.66</b>	<b>6.25</b>

## 16. Other Bank balances

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unclaimed dividend accounts	14.00	17.93
Earmarked bank deposits (refer note 16.1)	6.33	7.98
<b>Total</b>	<b>20.32</b>	<b>25.90</b>

16.1 The Company has pledged above deposits with bank as margin money for Bank Guarantee.

**17. Current Tax Assets (net)**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Current Tax Assets</b>		
Income Tax	7.21	31.09
<b>Total</b>	<b>7.21</b>	<b>31.09</b>

**18. Other Current Assets**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Unsecured, considered good</b>		
Balance with Government Authorities	-	0.62
Prepaid Expenses	3.01	9.35
Advances to vendors	4.64	4.23
Advances to employee	0.64	0.97
Others	0.56	1.58
<b>Total</b>	<b>8.85</b>	<b>16.75</b>

**19. Equity Share Capital**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Authorised</b>		
80,00,000 (P.Y.80,00,000) Equity Shares of Rs. 10/- each	800.00	800.00
<b>Total</b>	<b>800.00</b>	<b>800.00</b>
<b>Issued, Subscribed and Fully Paid Up</b>		
53,71,245 (P.Y. 53,71,245) Equity Shares of Rs. 10/- each	537.12	537.12
<b>Total</b>	<b>537.12</b>	<b>537.12</b>

**19.1 Reconciliation of number of equity shares outstanding at the beginning and at the end of reporting period is as under:**

Particulars	No. of Shares	Share Capital (₹ in Lakhs)
As at 1st April, 2022	53,71,245	537.12
Additions/(Reductions)	-	-
As at 31st March, 2023	53,71,245	537.12
As at 1st April, 2023	53,71,245	537.12
Additions/(Reductions)	-	-
As at 31st March, 2024	53,71,245	537.12

**19.2 Details of Shareholder holding more than 5 percent share in Company:**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	Extent of Holding	No. of shares	Extent of Holding
Abhishek V Gami	16,44,673	30.62%	16,44,673	30.62%
Shruti A Gami	5,28,393	9.84%	5,18,859	9.66%

**19.3 Right, Preferences and restrictions attached to Shares  
Equity shares**

The Company has only one class of Equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. Any dividend declared by the Company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of all Preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### 19.4 Details of shares held by Promoters

As at 31 March 2024

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity Shares	Abhishek V. Gami	16,44,673	-	16,44,673	30.62%	-
Equity Shares	Shruti A. Gami	5,18,859	9,534	5,28,393	9.84%	0.18%

As at 31 March 2023

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	Change during the year
Equity Shares	Abhishek V. Gami	16,44,673	-	16,44,673	30.62%	-
Equity Shares	Shruti A. Gami	3,85,250	1,33,609	5,18,859	9.66%	2.49%

#### 20. Other Equity

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Securities Premium	127.16	127.16
General Reserve	530.00	530.00
Capital Reserve	29.06	29.06
Reserve for equity instruments through other comprehensive income	(53.81)	(53.06)
Retained Earnings	1,020.59	971.56
<b>Total</b>	<b>1,653.00</b>	<b>1,604.72</b>

#### 20.1 Particulars relating to Other Equity

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March, 2023
<b>Securities Premium (Refer Note No.20.2)</b>		
Balance at the beginning of the year	127.16	127.16
Addition/(Deduction) during the year	-	-
Balance at the end of the year	127.16	127.16
<b>Capital Reserve (Refer Note No.20.3)</b>		
Balance at the beginning of the year	29.06	29.06
Addition/(Deduction) during the year	-	-
Balance at the end of the year	29.06	29.06
<b>General Reserve (Refer Note No.20.4)</b>		
Balance at the beginning of the year	530.00	530.00
Addition/(Deduction) during the year	-	-
Balance at the end of the year	530.00	530.00
<b>Equity instruments carried through other comprehensive income (OCI) (Refer Note No.20.5)</b>		
Balance at beginning of year	(53.06)	(84.13)
Remeasurement of Employee benefit plans	(2.33)	22.32
Fair value gain on investments in equity instruments	1.81	2.44
Income tax relating to items that will be reclassified to profit or loss	(0.23)	6.31
Balance at the end of year	(53.81)	(53.06)
<b>Retained Earnings (Refer Note No. 20.6)</b>		
Balance at the beginning of the year	971.56	1,106.81
<b>Profit after tax for the year</b>	<b>49.04</b>	<b>(135.25)</b>
<b>Add:</b> Other comprehensive income arising from re-measurement of defined benefit obligation, net of income tax	-	-
<b>Less:</b> Payments of dividends	-	-
<b>Less:</b> Tax on Dividends	-	-
<b>Less:</b> Transferred to general	-	-
Balance at the end of the year	1,020.59	971.56
<b>Total</b>	<b>1,653.00</b>	<b>1,604.72</b>

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

**20.3 Capital Reserve** : represents the amount due to remission of capital liability on one time settlement from Financial Institution during the year 2001-02.

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

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

**20.6 Retained Earnings** : represents the undistributed profits of the Company.

**21. Borrowings** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Secured - at amortised cost</b>		
Term Loans from bank	-	1.20
<b>Total</b>	-	1.20

**21.1 Term Loans from Banks consists of following:** (₹ in Lakhs)

Term Loans	Current Maturities of each Loan	Amount of Each Loan Outstanding
HDFC Bank (Secured against vehicles)	1.20 (1.91)	- (3.11)

Previous year figure are in bracket.

**21.2 The terms of repayment of the above loans are as follows:** (Amount in ₹)

Term Loans from Banks	Date of Maturity	No. of Instalments Due after the Balance Sheet Date	Amount of each Instalment
HDFC Bank (Date of Maturity: 7th Oct 2024. The rate of Interest is between 7.75% to 10.25%)	07-10-2024	7 (19)	17,645 (17,645)

Previous year figure are in bracket.

**22. Non Current Provisions** (₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Provision for Employee benefits</b>		
Gratuity Provision	79.34	82.11
Unavailed Leave and compensated absences	27.03	23.51
<b>Total</b>	<b>106.37</b>	<b>105.61</b>

**23. Other Non- Current Liabilities**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Other liabilities	0.07	0.07
<b>Total</b>	<b>0.07</b>	<b>0.07</b>

**24. Borrowings**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Loan Repayable on Demand Secured</b>		
Cash Credit from bank *	123.79	339.48
<b>Current maturities of long term borrowing</b>	<b>1.20</b>	<b>1.91</b>
<b>Total</b>	<b>124.98</b>	<b>341.40</b>

\* Cash Credit from State Bank of India is secured against Hypothecation of of entire current assets of the company which includes stock of raw materials, stock-in-process, finished goods, receivables/book debts. Company's Immovable properties form part of the Collateral security and the Directors have given their Personal Guarantee for the same.

**24.1** The Company has availed borrowings from State Bank of India against security of Stock & Debtors. The Company files quarterly returns with the Bank. The quarterly statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company and the details are as follows: "

Quarter	Particulars	Amount as per books of accounts(₹ in Lakhs)	Amount as reported in quarterly statement (₹ in Lakhs)	Amount of difference (₹ in Lakhs)
Jun-23	Inventory	1572.58	1281.11	291.46
Sep-23	Inventory	1972.31	1499.14	473.16
Dec-23	Inventory	1786.01	1572.31	213.7
Mar-24	Inventory	1560.03	1213.63	346.39
Sep-23	Trade Receivable	1154.8	936.67	218.13
Dec-23	Trade Receivable	1234.5	1110.73	123.77
Mar-24	Trade Receivable	867.01	844.04	22.97
Jun-23	Trade Payable	925.28	689.45	235.83
Sep-23	Trade Payable	1268.6	1006.17	262.43
Mar-24	Trade Payable	809.03	535.56	273.47

**Reasons of discrepancies:**

1. While submitting stock statements to the bank, the Company has not considered the inventory details of stores, spares, materials in transit and non-moving inventory.
2. While submitting statements of Trade Receivables and Trade Payables, the Company has not considered outstanding balances for more than 180 days.

**25. Trade Payables**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Due to Micro and Small Enterprise	447.80	341.89
Others	361.23	318.11
<b>Total</b>	<b>809.03</b>	<b>659.99</b>

**25.1** There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2024.

**25.2** The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below:

(₹ in Lakhs)

Trade Payables -Total outstanding dues of Micro & Small Enterprises*	As at 31st March, 2024	As at 31st March, 2023
Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each Accounting Year	447.80	341.89
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each Accounting Year;	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest accrued and remaining unpaid as at of end of each Accounting Year	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

**\*Based on the confirmation from Vendors.**

**25.3** The company has made payments to Micro and small suppliers amongst which to few suppliers are beyond the stipulated payments terms as prescribed under Micro, Small and Medium Enterprises Development Act, 2006. Since these Micro and small suppliers receive payments as per mutually agreed payments terms, none of the suppliers has claimed any interest from the company for payments made beyond stipulated period, if any.

**25.4 Ageing Schedule for MSME and other Trade payables**  
As at 31st March, 2024

(₹ in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date				Total
			Less than Year 1	1 to 2 years	2 to 3 years	More than 3 years	
<b>MSME:</b>							
- Disputed Dues	-	-	-	-	-	-	-
- Undisputed Dues	-	-	447.80	-	-	-	447.80
<b>Other Trade payables</b>							
- Disputed Dues	-	-	-	-	-	-	-
- Undisputed Dues	-	-	361.04	0.19	-	-	361.23
<b>Total</b>	-	-	808.84	0.19	-	-	809.03

**As at 31st March, 2023**

(₹ in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date				Total
			Less than Year 1	1 to 2 years	2 to 3 years	More than 3 years	
<b>MSME:</b>							
- Disputed Dues	-	-	-	-	-	-	-
- Undisputed Dues	-	-	340.19	1.70	-	-	341.89
<b>Other Trade payables</b>							
- Disputed Dues	-	-	-	-	-	-	-
- Undisputed Dues	-	-	318.09	0.02	-	-	318.11
<b>Total</b>	-	-	658.28	1.72	-	-	659.99

**26 Other financial liabilities**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unclaimed Dividend	14.00	17.93
Salary Payable	25.73	26.35
Other payable	1.39	1.31
Payable to Employees	-	0.26
Provision for expenses	28.07	23.14
<b>Total</b>	<b>69.19</b>	<b>68.99</b>

26.1 No amount is due for deposit in Investor Education and Protection Fund.

**27 Other Current Liabilities**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Liability for Statutory Payments	36.42	43.12
Advance from customers	11.76	35.47
<b>Total</b>	<b>48.17</b>	<b>78.59</b>

**28. Short Term Provisions**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Provision for Employee benefits</b>		
Gratuity Provision	11.81	10.59
Unavailed Leave and compensated absences	3.84	4.21
<b>Total</b>	<b>15.65</b>	<b>14.79</b>

**29. Revenue from Operations**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Sale of Products</b>		
Domestic	6,015.81	3,951.37
Export	-	5.90
<b>Total</b>	<b>6,015.81</b>	<b>3,957.26</b>

**30. Other Income**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest on deposit with bank	1.19	0.44
Interest on income tax refund	2.25	-
Dividend Income	0.04	0.04
Profit on sale of Property Plant & Equipment	7.88	-
Sundry balance written back	0.34	-
Miscellaneous income	-	0.09
<b>Total</b>	<b>11.70</b>	<b>0.57</b>

**31. Cost of materials consumed**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Consumption of Raw Materials:		
Opening Stock	542.86	280.08
Add: Purchase	4,810.17	3,098.25
Less: Closing Stock	403.30	542.86
<b>Total</b>	<b>4,949.73</b>	<b>2,835.48</b>

**32. Changes in Inventories of finished goods, Stock- in- trade and work-in-progress**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Finished goods:</b>		
Opening Stock	350.12	221.81
Less: Closing Stock	310.92	350.12
<b>Total (A)</b>	<b>39.20</b>	<b>(128.31)</b>
<b>Work-in-progress:</b>		
Opening Stock	483.97	766.14
Less: Closing Stock	845.80	483.97
<b>Total (B)</b>	<b>(361.84)</b>	<b>282.18</b>
<b>Total(A+B)</b>	<b>(322.63)</b>	<b>153.86</b>

**33. Employee Benefits Expense**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries, Wages and Bonus	439.88	385.23
Contribution to Provident and Other Funds	65.87	66.31
Staff welfare expenses	14.21	22.51
<b>Total</b>	<b>519.95</b>	<b>474.05</b>

**34. Finance Costs**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Interest on:</b>		
Cash Credit Facilities	43.46	24.83
Others	0.20	0.46
Bank Charges	4.40	3.99
<b>Total</b>	<b>48.06</b>	<b>29.28</b>

**36. Depreciation and amortisation expense**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Depreciation on Property Plant & Equipment	52.69	58.17
Amortisation of Intangible assets	0.22	2.03
<b>Total</b>	<b>52.90</b>	<b>60.20</b>

**36. Other Expenses**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Advertising/Sales promotion	21.84	17.22
Commission to selling agents	1.92	0.94
Consultancy/Professional fees	87.97	92.40
Consumption of stores & spares parts	186.62	54.24
Directors Sitting Fees	2.70	2.40
Freight Inward	2.02	2.06
Insurance	6.87	7.96
Legal expenses	0.85	1.83
Outward freight and handling charges	21.52	15.87
Packing Material	21.84	22.57
Payment to Auditors (Refer note (i) below)	2.97	2.34
Postage, telephone etc.	0.81	3.91
Power and fuel	174.33	141.83
Printing and stationery	4.25	5.08
Rates and taxes	4.76	4.80
Rent	1.25	1.38
Repairs and Maintenance		
- Buildings	41.07	6.74
- Machinery	64.62	64.84
- Others	20.17	14.48
Rectification charges/Sample Testing Charges	4.40	4.18
Subscription/Membership Fees	0.81	0.81
Security Guard Exp.	25.05	20.91
Travelling and conveyance	6.75	12.02
Water Charges	5.97	6.64
Sundry balance written off	-	1.28
Loss on sale of asset	-	0.04
Miscellaneous expenses *	12.13	8.84
<b>Total</b>	<b>723.48</b>	<b>517.62</b>

\* None of the item individually accounts for more than ₹ 10 Lakhs or 1% of revenue whichever is higher.

(i) Payment to auditors has been classified below (Excluding Taxes):

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(a) Statutory audit fees	2.75	2.13
(b) Out-of-pocket expenses	0.22	0.22
<b>Total</b>	<b>2.97</b>	<b>2.34</b>

**37. Disclosure pursuant to Ind AS 12 on "Income Taxes"**

**A. Components of Tax Expenses/(Income)**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Profit or Loss Section</b>		
Current years	-	-
Earlier years	(0.24)	0.52
Deferred Tax	7.22	22.07
<b>Total income tax expense recognised in the current year</b>	<b>6.98</b>	<b>22.60</b>

**B. Income tax relating to Other Comprehensive Income**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>Other Comprehensive Income Section</b>		
Remeasurement of Defined Benefits Plans	(0.61)	5.80
Equity instruments through other comprehensive income	0.38	0.50
<b>Income Tax Expense recognised in Other Comprehensive Income</b>	<b>(0.23)</b>	<b>6.31</b>

**C. Reconciliation of Income Tax Expense/(Income) and Accounting Profit multiplied by domestic tax rate applicable in India**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit before tax	56.01	(112.65)
Corporate Tax Rate as per Income Tax Act, 1961	26.00%	26.00%
Tax on Accounting Profit	-	-
<b>Income tax expense recognised in the statement of profit or loss</b>	<b>-</b>	<b>-</b>

**38. Other Comprehensive Income**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>A - Items that will not be reclassified to Profit &amp; Loss</b>		
Re-measurements of the defined benefit plans	2.33	(22.32)
Fair value changes on Equity Instruments through other comprehensive income	(1.81)	(2.44)
	<b>0.52</b>	<b>(24.76)</b>
<b>B - Items that will be reclassified to Profit &amp; Loss</b>		
Income tax related to above	(0.23)	6.31
	<b>(0.23)</b>	<b>6.31</b>
<b>Total</b>	<b>0.29</b>	<b>(18.45)</b>

### 39 Disclosures on Financial Ratios

Ratio	Numerator	Denominator	31-Mar-24	31-Mar-23	% change	Reason for variance
Current ratio (in times)	Current Assets	Current Liabilities	2.67	2.47	8%	There is no significant change in the said Ratio.
Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.06	0.16	-64%	The change is mainly due to increase in Collection in CY as compared to PY.
Debt Service Coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	3.25	-0.99	-428%	Cash Loss in PY and Profit in CY with marginal Increase in Interest Cost in CY.
Return on Equity ratio (%)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	2.26	-6.16	-137%	Curent year profit due to higher sales & improvement of margin due change in sales mix .
Inventory Turnover ratio (no. of days)	Cost of goods sold	Average Inventory	268.22	170.32	57%	Increase in the sales volume during CY.
Trade Receivable Turnover Ratio (no. of days)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	6.30	3.80	66%	Increase in the sales volume & collection during CY.
Trade Payable Turnover Ratio (no. of days)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	6.55	5.33	23%	
Net Capital Turnover Ratio (in times)	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	3.38	2.31	46%	Increase in the sales which leads to increase in working capital.
Net Profit ratio (%)	Net Profit	Net sales = Total sales - sales return	0.01	-0.03	-124%	Curent year profit due to higher sales & improvement of margin due change in sales mix .
Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.048	-0.039	-222%	Profit during the current year due to high margin product sold in CY as compare to Loss of PY.
Return on Investment (%)	Interest (Finance Income)	Investment	0.05	0.02	217%	Change in ratio due to higher interest income compare to previous year

**Note No. 40**

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2024**

**1. Segment Reporting.**

The Company has only one business segment "Tungsten and Tungsten Carbide Products" as primary segment as required by Ind AS 108 "Operating Segment" under the Companies (Indian Accounting Standard) Rules 2015. The secondary segment is geographical which is given as under:

(₹ in Lakhs)			
Sr. No.	Sales & Services	2023-24	2022-23
a)	Within India	6015.81	3951.37
	Outside India	-	5.90
	<b>TOTAL</b>	<b>6015.81</b>	<b>3957.26</b>

Sr. No.	Other Income	2023-24	2022-23
b)	Within India	11.70	0.57
	Outside India	-	-
	<b>TOTAL</b>	<b>11.70</b>	<b>0.57</b>

**2. Related Party Disclosure:**

**Part. A – Name of Related Parties and description of their relationship are as under:**

Name of Related Parties	Nature of Relationship
Mr. Abhishek V. Gami	Managing Director
Mr. Dhananjay D. Kanitkar	Chairman
Mr. Kishore D. Sharma	Director
Mrs. Shruti A. Gami	Director
Mr. Atul R. Garg	Director
Mr. Nrupang B. Dholakia (w.e.f. 01-06-2023)	Director
Ms. Komal P. Soni	Company Secretary and Compliance officer
Mr. Vaibhav P. Shah (Upto 05-09-2022)	Chief Financial Officer
Mr. Vinay C. Sura (w.e.f. 14-02-2023)	Chief Financial Officer
M/s. United Wolfram (Converted into Pvt. Ltd Co. w.e.f. 25-11-2022)	Entities over which Key Managerial
M/s. United Wolfram Pvt. Ltd. (Partnership Firm converted into Pvt. Ltd Co. w.e.f. 25-11-2022)	Personal exercise significant influence:

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

Nature of Transaction	Key Management Personnel	Entities over which Key Managerial Personal exercise significant influence	Total
<b>Transaction during the year</b>			
<b>Remuneration</b>	<b>60.27</b>	<b>-</b>	<b>60.27</b>
	(42.55)	-	(42.55)
Mr. Abhishek V. Gami	<b>44.78</b>	<b>-</b>	<b>44.78</b>
	(34.63)	-	(34.63)
Mr. Vaibhav P. Shah	-	-	-
	(3.27)	-	(3.27)
Mr. Vinay C Sura	<b>8.25</b>	<b>-</b>	<b>8.25</b>
	(0.99)	-	(0.99)
Ms. Komal P. Soni	<b>7.23</b>	<b>-</b>	<b>7.23</b>
	(3.66)	-	(3.66)
<b>Reimbursement for maintaining Chairman's Office</b>	<b>0.60</b>	<b>-</b>	<b>0.60</b>
	(0.60)	-	(0.60)
Mr. Dhananjay D. Kanitkar	<b>0.60</b>	<b>-</b>	<b>0.60</b>
	(0.60)	-	(0.60)
<b>Sitting Fees</b>	<b>2.70</b>	<b>-</b>	<b>2.70</b>
	(2.40)	-	(2.40)
Mr. Dhananjay D. Kanitkar	<b>0.60</b>	<b>-</b>	<b>0.60</b>
	(0.60)	-	(0.60)
Mr. Atul R Garg	<b>0.60</b>	<b>-</b>	<b>0.60</b>
	(0.60)	-	(0.60)
Mrs. Shruti Gami	<b>0.45</b>	<b>-</b>	<b>0.45</b>
	(0.60)	-	(0.60)
Mr. Kishore D. Sharma	<b>0.60</b>	<b>-</b>	<b>0.60</b>
	(0.60)	-	(0.60)
Mr. Nrupang B. Dholakia	<b>0.45</b>	<b>-</b>	<b>0.45</b>
	-	-	-
<b>Sales of Goods</b>	<b>-</b>	<b>421.83</b>	<b>421.83</b>
	-	(374.16)	(374.16)
M/s United Wolfram	-	-	-
	-	(241.63)	(241.63)
M/s United Wolfram Pvt. Ltd.	-	<b>421.83</b>	<b>421.83</b>
	-	(132.53)	(132.53)
<b>Purchase of Goods</b>	<b>-</b>	<b>3,320.10</b>	<b>3,320.10</b>
	-	(2,315.68)	(2,315.68)
M/s United Wolfram	-	-	-
	-	(1,584.67)	(1,584.67)
M/s United Wolfram Pvt. Ltd.	-	<b>3,320.10</b>	<b>3,320.10</b>
	-	(731.01)	(731.01)
<b>Balance as on 31st March</b>			
<b>Remuneration Payable</b>	<b>2.18</b>	<b>-</b>	<b>2.18</b>
	(1.62)	-	(1.62)
Mr. Abhishek V. Gami	<b>2.18</b>	<b>-</b>	<b>2.18</b>
	(1.62)	-	(1.62)
<b>Salary Payable</b>	<b>0.89</b>	<b>-</b>	<b>0.89</b>
	(0.77)	-	(0.77)
Mr. Vinay C Sura	<b>0.57</b>	<b>-</b>	<b>0.57</b>
	(0.51)	-	(0.51)
Ms. Komal P. Soni	<b>0.33</b>	<b>-</b>	<b>0.33</b>
	(0.26)	-	(0.26)
<b>Balance Receivable</b>	<b>-</b>	<b>31.27</b>	<b>31.27</b>
	-	(16.55)	(16.55)
M/s United Wolfram Pvt. Ltd.	-	<b>31.27</b>	<b>31.27</b>
	-	(16.55)	(16.55)
<b>Balance Payable</b>	<b>-</b>	<b>435.64</b>	<b>435.64</b>
	-	(291.80)	(291.80)
M/s United Wolfram Pvt. Ltd.	-	<b>435.64</b>	<b>435.64</b>
	-	(291.80)	(291.80)

Amount in bracket indicate previous year figures.

**3 Contingent Liabilities and Commitment: - (To the extent not provided only)**

- a) Contingent Liabilities not provided for ₹ Nil (P.Y. ₹ Nil)  
b) Estimated amount of contracts remaining to be executed (Net of Advances) ₹ Nil (P.Y. ₹ Nil)

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

(₹ in Lakhs)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
<b>Expenses recognized for defined Contribution Plan</b>		
Company's contribution to Provident Fund	34.15	32.59
Company's contribution to Super Annuation Fund	11.85	11.88
<b>TOTAL</b>	<b>46.00</b>	<b>44.46</b>

**Defined Benefit Plan - Gratuity**

The Company provides for gratuity benefit under a defined benefit retirement scheme (the "Gratuity Scheme") as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. The Gratuity Scheme provides for a lump sum payment to employees who have completed at least five years of service with the Group, based on salary and tenure of employment. Liabilities with regard to the gratuity scheme are determined by actuarial valuation carried out using the Projected Unit Credit Method by an independent actuary. The Gratuity liability is funded by payment to the trust established with Life Insurance Corporation of India.

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

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2024	As at 31st March, 2023
Present Value of Defined Benefit Obligation at the beginning of the year	137.14	173.45
Current Service Cost	10.59	12.57
Interest Cost	9.17	10.48
Components of Actuarial (gain) / loss	-	-
Due to Change in financial assumptions	0.78	(4.52)
Due to Change in demographic assumption	-	(0.38)
Due to experience adjustments	2.23	(17.29)
Past service cost	-	-
Benefits paid	(14.47)	(37.16)
<b>Present Value of Defined Benefit obligation at the end of the year</b>	<b>145.44</b>	<b>137.14</b>

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

(₹ in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2024	As at 31st March, 2023
<b>Fair Value of Plan Assets at the beginning of the year</b>	<b>44.45</b>	<b>64.18</b>
Return on plan assets including interest Income	3.48	3.72
Contributions	20.84	13.71
Benefits paid	(14.47)	(37.16)
Actuarial gain / (loss)	-	-
<b>Fair value of Plan Assets at the end of the year</b>	<b>54.30</b>	<b>44.45</b>

C) Expenses recognized in Profit and Loss :

(₹ in Lakhs )

Particulars	Gratuity	
	As at 31st March, 2024	As at 31st March, 2023
Current Service Cost	10.59	12.57
Past service cost and loss/(gain) on curtailments and settlement	-	-
Interest Cost	6.38	6.90
Opening service cost and interest cost	-	-
Net Cost recognized in Statement of Profit and Loss	16.97	19.47

D) Expenses recognized in Other Comprehensive Income :

(₹ in Lakhs )

Particulars	Gratuity	
	As at 31st March, 2024	As at 31st March, 2023
<b>Components of actuarial gain / losses on obligations:</b>		
Due to change financial assumptions	0.78	(4.52)
Due to change in demographic assumptions	-	(0.38)
Due to experience adjustments	2.23	(17.29)
Return on Plan Assets excluding amounts included in Interest Income	(0.68)	(0.14)
Opening Provision to be made	-	-
Net Cost recognized in Other Comprehensive Income	2.33	(22.32)

E) Assumptions used to determine the Defined Benefit Obligations:

Particulars	Gratuity	
	As at 31st March, 2024	As at 31st March, 2023
Mortality rate	0.09% to 1.12%	0.09% to 1.12%
Discount rate (per annum)	7.20%	7.30%
Expected rate of Return on Plan Assets (per annum)	-	-
Expected rate of increase in Salary (per annum)	8.00%	8.00%
Expected Average remaining working lives of Employees (Years)	10.00% at younger age and 2.00% at older age	10.00% at younger age and 2.00% at older age

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

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

**F) Sensitivity Analysis :**

Particulars	Change in Assumption	Effect on Gratuity obligation
<b>For the year ended 31st March 2024</b>		(₹ in Lakhs)
Discount Rate	0.50%	141.63
	-0.50%	149.49
Salary Growth Rate	0.50%	148.82
	-0.50%	142.00
Withdrawal rate	W. R. x 110%	145.48
	W. R. x 90%	145.39
<b>For the year ended 31st March 2023</b>		
Discount Rate	0.50%	133.60
	-0.50%	140.88
Salary Growth Rate	0.50%	140.66
	-0.50%	133.84
Withdrawal rate	W. R. x 110%	137.17
	W. R. x 90%	137.11

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

The method used does not indicate anything about the likelihood of change if any parameter and the extent of the change if any.

**G) History of Experience adjustments is as follows:**

Particulars	(₹ in Lakhs)
<b>For the year ended 31st March 2024</b>	
Plan Liabilities – (loss) / gain	145.44
Plan Assets – (loss) / gain	(54.30)
<b>For the year ended 31st March 2023</b>	
Plan Liabilities – (loss) / gain	137.14
Plan Assets – (loss) / gain	(44.45)

**H) Estimate of Expected Benefit Payments:**

Particulars	(₹ in Lakhs)
1st April, 2024 to 31st March, 2025	19.94
1st April, 2025 to 31st March, 2026	10.86
1st April, 2026 to 31st March, 2027	38.03
1st April, 2027 to 31st March, 2028	34.44
1st April, 2028 to 31st March, 2029	12.01
1st April, 2029 to 31st March, 2030 and onwards	45.39

**I) Statement of Employee Benefit Provision:**

Particulars	Gratuity	
	As at 31st March, 2024	As at 31st March, 2023
Fair Value of Plan Assets	(54.30)	(44.45)
Present Value of Obligation	145.44	137.14
Opening Balance	-	-
<b>Amount recognized in Balance Sheet</b>	<b>91.15</b>	<b>92.69</b>

**J) Current and Non – Current provision for Gratuity: (₹ in Lakhs)**

Particulars	Gratuity	
	As at 31st March, 2024	As at 31st March, 2023
Current	11.81	10.59
Non-Current	79.34	82.11
Opening Balance	-	-
<b>Total</b>	<b>91.15</b>	<b>92.69</b>

**K) Reconciliation of net defined benefit liability: (₹ in Lakhs)**

Particulars	Gratuity	
	As at 31st March, 2024	As at 31st March, 2023
Opening provision in books of accounts	92.69	109.26
Employee Benefit Expense – Table C	16.97	19.47
Amounts recognized in other comprehensive income	2.33	(22.32)
Contributions to plan assets	(20.84)	(13.71)
Closing provision in books of accounts	91.15	92.69

L) Gratuity payable as per revised accounting Ind AS 19 & actuarial valuation submitted by independent actuaries difference of fair market value of defined plan & present value of defined plan has been provided in other comprehensive expense amounting to Rs. 2.33 lakhs including past service cost, interest cost and liability of earlier year and difference in actuarial liability including service cost and interest cost for the year 31.03.2024.

**5. In accordance with Ind AS - 33, "Earning Per Share", the Basic and Diluted EPS have been calculated as under:**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profits/(Loss) available to equity shareholders (₹ in Lakhs)	49.04	(135.25)
Weighted Average Number of equity shares used as denominator for calculating Basic EPS	53,71,245	53,71,245
Weighted Average Number of equity shares used as denominator for calculating Diluted EPS	53,71,245	53,71,245
Earnings Per Share of ₹ 10 each		
Basic ( in ₹ )	0.91	(2.52)
Diluted ( in ₹ )	0.91	(2.52)

## 6. Financial Instruments

### i) Fair value measurement hierarchy:

(₹ in Lakhs)

Particulars	As at 31st March, 2024			
	Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
At Fair Value through Profit and Loss	-	-	-	-
Mutual Funds	-	-	-	-
<b>At FVTOCI</b>				
Investment in Equity instruments	15.06	-	-	15.06
Investment in Debt instruments	-	-	-	-
<b>At Amortised cost</b>				
Trade Receivables	867.01	-	-	-
Cash and cash equivalents	1.66	-	-	-
Bank balances other than above	20.32	-	-	-
Other asset	16.06	-	-	-
<b>Total</b>	<b>920.11</b>	<b>-</b>	<b>-</b>	<b>15.06</b>

(₹ in Lakhs)

Particulars	As at 31st March, 2024			
	Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3
<b>Financial liabilities</b>				
Trade Payables	809.03	-	-	-
Borrowings	124.98	-	-	-
Other Financial liabilities	69.19	-	-	-
<b>Total</b>	<b>1003.20</b>	<b>-</b>	<b>-</b>	<b>-</b>

(₹ in Lakhs)

Particulars	As at 31st March, 2023			
	Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
At Fair Value through Profit and Loss	-	-	-	-
Mutual Funds	-	-	-	-
<b>At FVTOCI</b>				
Investment in Equity instruments	13.26	-	-	15.06
Investment in Debt instruments	-	-	-	-
<b>At Amortised cost</b>				
Trade Receivables	1042.45	-	-	-
Cash and cash equivalents	6.25	-	-	-
Bank balances other than above	25.90	-	-	-
Other assets	47.84	-	-	-
<b>Total</b>	<b>1135.69</b>	<b>-</b>	<b>-</b>	<b>15.06</b>
<b>Financial liabilities</b>				
Trade Payables	659.99	-	-	-
Borrowings	341.40	-	-	-
Other Financial liabilities	68.99	-	-	-
<b>Total</b>	<b>1070.38</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

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

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

Valuation technique used to determine fair value

**Specific valuation techniques used to value financial instruments include:**

- The use of quoted market prices or dealer quotes for similar instruments
- The fair value of the remaining financial instruments is determined using NAV.
- The company has invested in the equity instruments of company. The valuation exercise of unquoted equity instruments carried out by the company with the help of an estimated fair value at each reporting period based on available historical annual reports and other information in the public domain.
- Changes in Level 3 fair value are analysed at the end of each reporting period.

## 7. Financial Risk management

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

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

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

### i) Credit risk :

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

### Investments :

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

### Trade receivables :

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

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

(₹ in Lakhs)

	Particulars	As at 31st March, 2024	As at 31st March, 2023
a	Balance at the beginning of the year	-	-
b	Provision made during the year	1.00	1.00
c	Provision reversed during the year	-	-
d	Balance at the end of the year	-1.00	-1.00

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

### ii) Liquidity risk

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

### Maturities of Financial Liabilities

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

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

**Contractual maturities of financial liabilities:**

(₹ in Lakhs)

Particulars	Less than 1 year	More than 1 year	Total
<b>As at 31st March, 2024</b>			
Non-derivatives	-	-	-
Other Financial Liabilities	69.19	-	69.19
Borrowings	124.98	-	124.98
Trade payables	809.03	-	809.03
Total Non-derivative liabilities	1003.20	-	1,003.20

Particulars	Less than 1 year	More than 1 year	Total
<b>As at 31st March, 2023</b>			
Non-derivatives	-	-	-
Other Financial Liabilities	68.99	-	68.99
Borrowings	341.40	1.20	342.60
Trade payables	659.99	-	659.99
Total Non-derivative liabilities	1070.38	1.20	1071.58

**iii) Market risk :**

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

**Price Risk :**

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

**Management Policy :**

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

**8. Capital management**

The Company's capital management objectives are:

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

(₹ in Lakhs)

For the year ended	As at 31st March, 2024	As at 31st March, 2023
Debt (includes non-current, current borrowings and current maturities of long term debt)	<b>124.98</b>	341.40
Less : Cash and cash equivalents	<b>1.66</b>	6.25
Net Debt	<b>123.33</b>	336.49
Total Equity	<b>2190.13</b>	2141.84
Net debt to total equity ratio	<b>0.06</b>	0.16

**9 Use of Estimates and Judgments**

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

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

- 10 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 11 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 12 The Company have not traded or invested in Crypto currency or Virtual Currency during the period/year.
- 13 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 14 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 15 The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- 16 The Company does not have any Immovable Property whose title deeds are not held in the name of Company.
- 17 The Company is not declared as wilful defaulter by any Bank or Financial Institution or other lender.
- 18 The previous year's figures have been regrouped wherever necessary to make it comparable with the current year.
- 19 The Company has sought balance confirmations from trade receivables and trade payables, wherever such balance confirmations are received by the Company, the same are reconciled and appropriate adjustments if required, are made in the books of account.
- 20 The Company does not have any transaction with struck-off Companies.

## 21 Approval of Financial Statements

The Financial Statements were approved for issue by the Board of Directors on 06th May, 2024

As per our report of even date attached

For K. C. Mehta & Co. LLP  
Chartered Accountants  
Firm's Registration No. 106237W/W100829

Chhaya M. Dave  
Partner  
Membership No. 100434

Place : Vadodara  
Date : May 6, 2024

Dhananjay D Kanitkar  
Chairman & Non-Executive Director  
DIN: 03523774

Vinay C. Sura  
Chief Financial Officer  
Place : Ankleshwar  
Date : May 6, 2024

For and on behalf of the Board

Abhishek V. Gami  
Managing Director  
DIN: 07570948

Komal P. Soni  
Company Secretary  
M. No. : A66843

# CERTIFICATE

Management system as per  
**ISO 9001 : 2015**

The Certification Body TÜV NORD CERT GmbH hereby confirms as a result of the audit, assessment and certification decision according to ISO/IEC 17021-1:2015, that the organization

**RAPICUT CARBIDES LIMITED**  
119, GIDC Industrial Area,  
On National Highway BOM – AHM,  
Ankleshwar - 393 002,  
Gujarat,  
India




operates a management system in accordance with the requirements of ISO 9001 : 2015 and will be assessed for conformity within the 3 year term of validity of the certificate.

Scope -

**Manufacture, Sale & Export of Tungsten Metal, Tungsten Carbide, Fused/Cast Tungsten Carbide, Cobalt, Ready to Press (RTP) Powder and all Type of Cemented/Sintered Tungsten carbide Products.**

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

Valid from 05.08.2023  
Valid until 04.08.2026  
Initial certification 02.06.1999



Certification Body  
at TÜV NORD CERT GmbH

Mumbai, 12.06.2023

TÜV NORD CERT GmbH

Am TÜV 1

45307 Essen

[www.tuev-nord-cert.com](http://www.tuev-nord-cert.com)

TUV India Pvt. Ltd., 801, Raheja Plaza – 1, L.B.S. Marg,

Ghatkopar (W), Mumbai - 400 066, India [www.tuv-nord.com/in](http://www.tuv-nord.com/in)





## Indian Machine Tool Manufacturers' Association

Regd. Office: C/o, Kalyaniwala Mistry & Assoc., Plant No. 13 Extension Office,  
Godrej Campus, Vikhroli (East), Mumbai - 400079, Maharashtra

Head Office: 10<sup>th</sup> Mile, Tumkur Road, Bengaluru - 562 123, Karnataka

Tel : +91-80-66246600 | Email : imtma@imtma.in | Website : www.imtma.in

CIN: U29290MH1973GAP016420

## CERTIFICATE OF MEMBERSHIP



This is to certify that

**Rapicut Carbides Limited**

is a member of Indian Machine Tool Manufacturers' Association

Membership No: 1193

Valid upto 31<sup>st</sup> March 2025

**Jibak Dasgupta**  
Secretary, Director General & CEO



## Indian Cutting Tool Manufacturers Association

No.41, Imperial Court, 33/37 Cunningham Road, Bangalore - 560 052, Karnataka, India

## CERTIFICATE OF MEMBERSHIP

*This is to certify that M/s **RAPICUT CARBIDES LIMITED**,  
have been admitted as **Ordinary** member of the Association.  
Their Membership Number is **ICTMA/MS/0061***

Membership will be valid for one year commencing from 01st April 2024 to 31st March 2025. Given under the hand and seal of President & Executive Secretary on the 01st of April, 2024.

President



Executive Secretary



Total Customer Satisfaction Shall Be Our Prime Corporate Objective.

We Shall Achieve This Through Inculcating Team Spirit In Every Member Of The Company.

The Spirit Of Excellence Is The Corner Stone Of All We Do.

Quality With Us Is A Way Of Life.

Value For Money To The Customer, Continuous Improvement

And Moving Towards Zero Defect Is Our Consistent Endeavour.

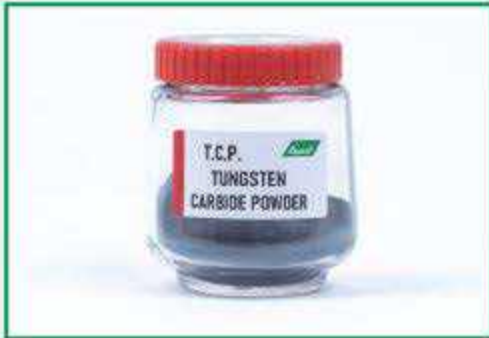
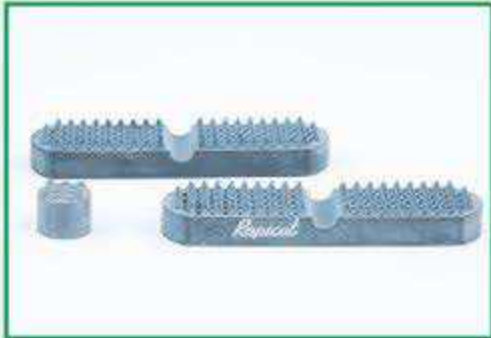
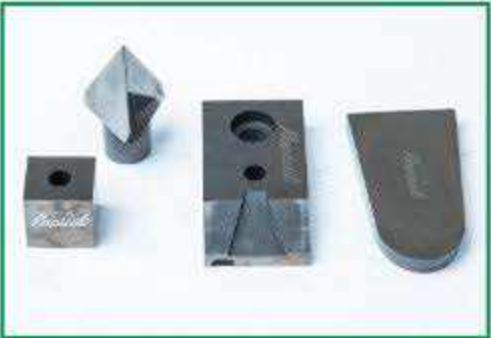
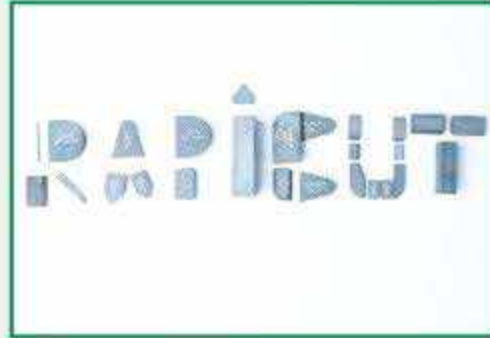
We Shall Continually Meet Statutory & Legal Requirement

And Interested Party Requirement Along With

Customer Requirement



Abhishek V. Gami  
Managing Director







Excellence through inculcating Values

# RAPICUT CARBIDES LIMITED

## Corporate & Registered Office

- 📍 119, GIDC Industrial Area, On National Highway BOM-AHM, Ankleshwar – 393002, Gujarat (India)
- ☎️ +91 75730 22016 | +91 76220 02203 (Landline)
- ✉️ [investors@rapicutcarbides.com](mailto:investors@rapicutcarbides.com) | [info@rapicutcarbides.com](mailto:info@rapicutcarbides.com)
- 🌐 [www.rapicutcarbides.com](http://www.rapicutcarbides.com) | [www.rapicutcarbides.in](http://www.rapicutcarbides.in)

Mumbai | Pune | Kolkata | Chennai | Delhi | Bangalore | Jaipur | Ahmedabad

