



RUPA & COMPANY LIMITED

GROWTH

is never by mere chance, it is the result of
forces working together.



ANNUAL
REPORT
2021

Index



1-29

Corporate Overview



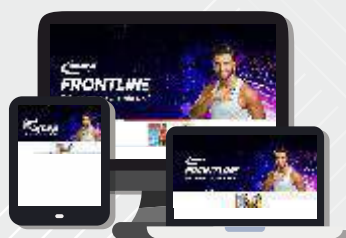
30-112

Governance Report



113-235

Financial Statements



You can also find this report online on :
www.rupa.co.in



NSE Stock Code

RUPA



BSE Stock Code

533552



AGM*

August 31, 2021 at
11:00 am



Dividend

₹ 5 per share



Promoters Holding

73.28%



Public Holding

26.72%

*AGM Mode - Video Conferencing / OAVM

We are resilient in finding romance in our performance. The romance associated with a perfectly knitted piece of garment is dedicated to the untiring efforts of our people who work hard to understand and satisfy evolving customer aspirations.

We ceaselessly try to find opportunities in times of adversity. Our key differentiating factor has always been our specific advantage of becoming global, but being local in the marketplace. Therefore, we had an excellent year both operationally and financially. Despite the ongoing global crisis, this yearly performance broke all our previous records on sales, profitability and brand visibility.

We have empowered the public, giving them the innovations they deserve. The Company has listened closely to every consumer segment, thus making unique products inspired by people's needs and desires. An ear-to-the-ground approach, backed by world-class technology and logistics, premiumisation, various expansion and innovation drives has enabled the Company to stay inline with the market.

At Rupa, our focus has been on growth that is holistic and binds all stakeholders together. We are well on our way to grow and achieve new milestones.



FRONTLINE

Yeh aaram ka mamla hai!



APNA **FRONTLINE**
DIKHNE DO

Rupa at a glance

At Rupa & Company Limited, it has been an endeavour for us to offer the best in knitted garments to the consumers. We cover an entire boutique of knitted garments which includes innerwear, casual wear and fashion wear. We are on a journey to create a global brand that uses sustainable textiles, has set high standards of customer and stakeholder integrity, and our culture encourages hard work, innovation, respect and taking ownership.

Rupa's home grown "global-desi" brands :



Rupa, bringing global brands for aspirational "desi" consumer :





Vision

Through a constant spirit of innovation and improvement for creating best-quality products, we aim to consolidate our position as the national frontrunner and a global leader in the innerwear and casual wear categories.



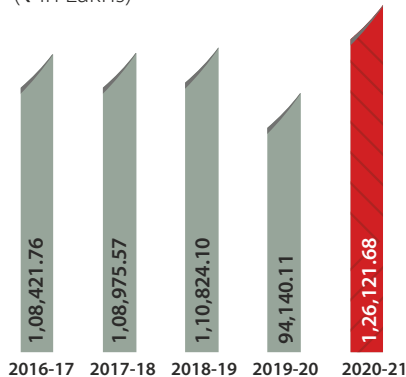
Mission

To exceed the customer's expectations by consistently offering the best products across different categories. To promote the latest R & D and to follow eco-friendly production processes. To create and deliver value for all stakeholders.

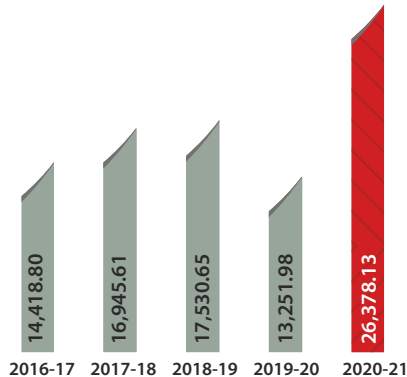


Forces working together with strong fundamentals

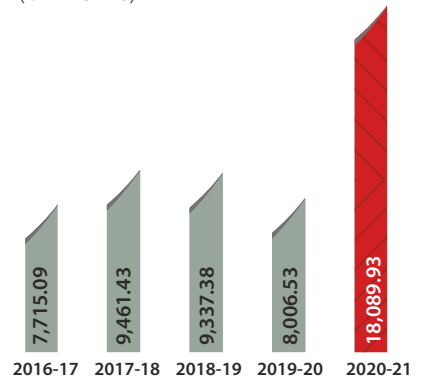
Total Revenue
(₹ in Lakhs)



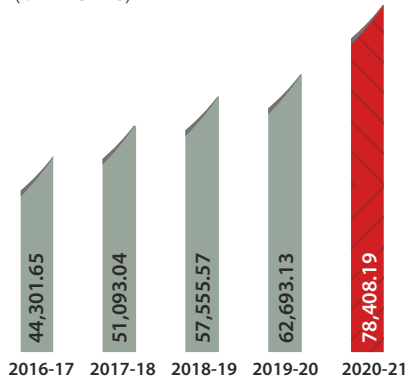
EBITDA
(₹ in Lakhs)



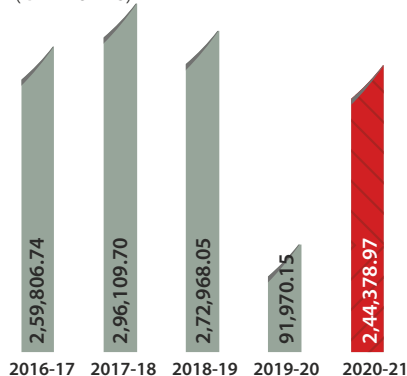
PAT
(₹ in Lakhs)



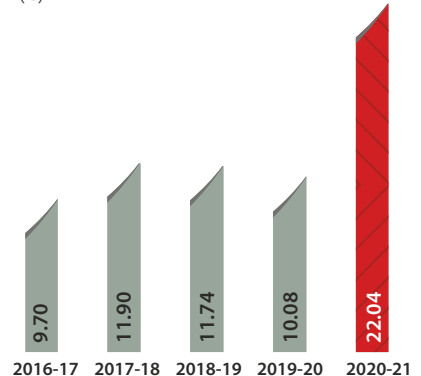
Networth
(₹ in Lakhs)



Market Capitalisation
(₹ in Lakhs)



Earnings Per Share (EPS)
(₹)





Values

Corporate Social Responsibility: To be a responsible corporate citizen who is pro-planet and pro-people. To safeguard the environment and to give back to society.

Honesty and Diligence: To strive to deliver beyond our promise, that becomes our guarantee of quality.

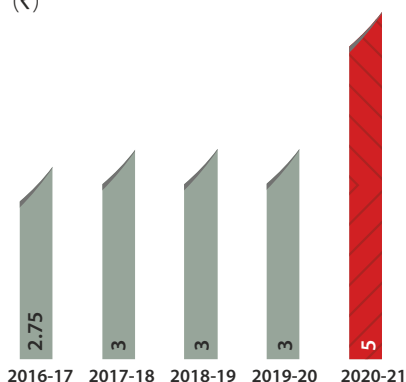
Innovation: To incorporate the latest techniques and global innovations for making the most advanced products.



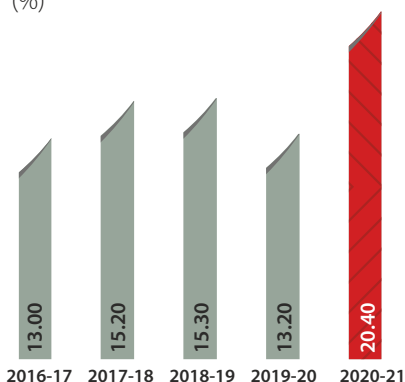
Quality commitments

From the procurement to final garmenting, we have put in place stringent testing systems to ensure quality products. We are one of the few companies in the industry to adopt intensive quality checks at every stage of production right up to dispatch. The Company possesses one of the most modern dyeing plants in India.

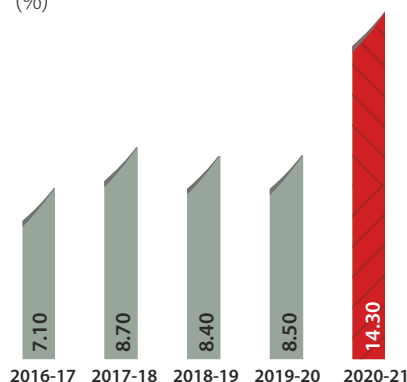
Dividend Per Share
(₹)



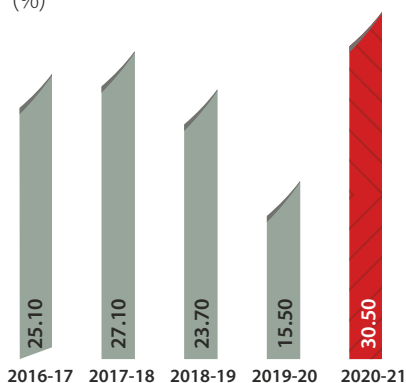
EBITDA Margin
(%)



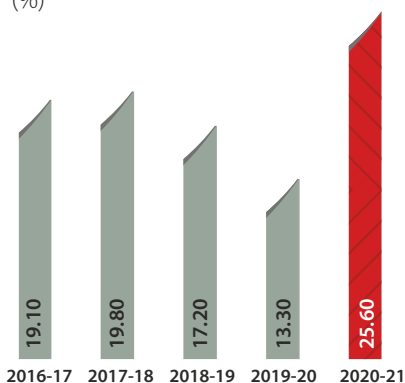
PAT Margin
(%)



ROCE
(%)



ROE
(%)



CRISIL AA-/Stable and CRISIL A1+ for the long term and short term debt instruments / facilities respectively



Shri Kunj Bihari Agarwal
Managing Director

Shri Prahlad Rai Agarwala
Chairman

Shri Ghanshyam Prasad Agarwala
Vice-Chairman

Founders' Visionary Statement

Dear Shareholders

The year 2020 was marked by unprecedented challenges. Our way of life changed like never before and people were compelled to adapt and adjust to new realities. It has been a year which truly tested the capabilities and competencies of our Company. The resilience of our business model and our values of care and integrity allowed our people to come together with a real sense of purpose. Although the immediate future remains uncertain due to the Covid-19 pandemic, we remain strategically and operationally poised to take the organisation ahead.

What we feel and believe inside, is the same exhibited outside. We always believe that the real battleground is

always in the mind and when we come out victorious, progress is an inevitable conclusion. Despite the uncertainties in the market, FY 2020-21 has indeed been one of the golden years in our Company's history. Our brands have shown growth along with increasing acceptance among consumers. Having said that, we are seeing an important development in the industry – the changing aspirational tastes of a varied segment of Indian consumers are translating into enhanced demand for qualitative and reputed knitwear garments. Therefore, we have stressed on manufacturing knitted garments that offer enhanced experience and are of perceivably superior quality across each of its brands. To achieve this, we have meticulously planned and

established production units, upgraded our product offerings to drive locational and operational advantages thereby enhancing stakeholders value creation in the long run.

Resilience economy

Resilient India is no stranger to challenges. It has faced, challenged and surpassed them with stature and poise. Concurrently, the average Indian is braving the odds to give the Indian economy an all-out push. India's backbone, its rural economy, continues to thrive. Monsoons and harvesting have remained good for the last year and this year too. As a result, India has not experienced any supply shortages in farm produce. As a logical fallout, consumption in lesser-known towns has been picking up.

The simple barometer of this resilient economy is evident through the GST Collections during FY 2020-21. Barring the first two months when there was a complete lockdown, demand has started picking up which led to increased GST collections by the Government. We believe that this great nation will keep on rising with its positive journey and will cross all the benchmarks created by itself in the past. Today, the entire world is looking upon India as an important country in the global supply-chain. This is expected to create countless opportunities for India Inc. in the medium and long term.

A peep into the innerwear industry

The growing popularity of comfort wear among the young Indian population in recent years has prompted many companies to expand their knitwear range. With rising income levels, higher purchasing power, rise in the number of working women and growing consciousness towards fashionable products, demand for quality knitwear products in our country has also seen a rise. Covid-19 pandemic has had tremendous impact on the clothing and apparels segment with many people being forced to work-from-home. As a result people started preferring comfort over fashion; thus, further increasing demand for comfort wear and athleisure. Thus, quality conscious manufacturers are continuously focusing on product consistency and design over a period of time to gain consumer confidence for a particular brand. As casualisation trends are picking momentum, the knitwear industry has been constantly registering a significant upsurge. Domestic players are also focusing

on outerwear with bold colours, designs and styling track pants, shorts, T-shirts and most importantly athleisure wear, which is going to give them higher margins in the long run.

Over the years, the industry has created a huge entry barrier by creating brands backed by big celebrity endorsements. Moreover, modules and fixtures for product display, attractive packaging and point-of-sale imagery ensured respective brands were brought into limelight using first-of-its-kind brand communication. Increasing per capita, rising levels of information and media exposure have also given the industry a new dimension. The trend is not restricted to just metros but can be witnessed across Tier-I, II and III cities and small rural towns as well.

Along with the domestic market, exports also offer huge opportunities for growth for Indian knitwear makers as the global apparel brands seek to look for alternate suppliers. Due to the sizable domestic market and huge export opportunities, phenomenal growth is expected in the knitwear segment. We are confident of massive opportunities for Indian knitting industry. With the current geo-political situation, supply chain disruption and uncertainties over investments in neighbouring countries, India is certain to regain its pole position in the world of knitwear industry.

Rewinding 2020-21

On a standalone basis, our revenue grew by 34%. In terms of profitability, EBITDA and PAT grew by 99% and 126% over the last year, respectively. We achieved record revenue and profitability on back of a strong volume growth, operational efficiencies, better product mix and various optimisation measures, despite the ongoing Covid-19 pandemic.

The second wave of Covid-19 had adversely affected the economy. In these tough times, our priority had clearly shifted to take care of our people on ground who were working relentlessly in these challenging times. The Company organised vaccination camps at various locations for the needy people. We also extended the health insurance program for all the employees.

The phy-digital strategy

Post relaxation of restrictions due to the Covid-19 pandemic and, as the Indian economy started opening up, our dealers started to resume their business

activities. We are happy to announce that our 1,200+ dealer and 1,25,000+ retail network, along with 11 EBO's through our 7,000+ SKUs are functioning well. We are scaling partnerships with retail chains and E-commerce players to increase our reach and relevance to both urban and semi urban populace, especially the millennials. We have undertaken initiatives like joint brand promotions with retail chains as well as strengthened online visibility to increase sales through this channel. Going forward we plan to establish franchise business model within the top 50 cities in India. Future plan is to roll out 30 EBOs by the year end and 100 EBOs in 2-3 years.

Expanding footprints

We are taking strategic initiatives to improve our customer base in the Central and Southern part of the country. We are appointing new distributors and building experience centres to further strengthen our sales in the potential and existing markets. As we move forward, we see an immense opportunity in the outer wear and athleisure segment. We are also expanding in new international geographies in export business by opening business in new countries in middle east, Africa and Russia.

Brand building

The uniqueness of our brand helps build a positive perception. The Management's involvement in brand building and an all-pervasive team effort has only made it a reality. We continue to invest behind brand building to support market growth initiatives in core categories and expansion into adjacent categories. With consumers spending significantly more on-screen time, we are reallocating judiciously on advertisement and promotional spends from non-media to media channels to drive share of voice in the core portfolios in the near-term. Over the years we have consistently been investing 6-8% of our revenue towards brand promotional expenses, which reduced to 4.2% during the year under review due to Covid-19 pandemic. But we expect to regain the same level of our brand expenses during FY 2021-22 as normalcy regains.

Business outlook

We continue to reaffirm our commitment to deliver a sustainable long-term business and earnings growth by

leveraging our key enablers – brands, talent and culture. We expect good growth in Thermal, Women, and Athleisure wear. Outerwear casual clothing is expected to see significant growth. Product development will continue to be our key focus. We want to ensure that product launches are profitable and increase our competitiveness in the marketplace. We will undertake the right promotional initiatives to grow and ensure that their message is rightly communicated to the consumers. We will continue to make special efforts to keep improving quality. This is not just to protect ourselves from the competition, but to truly delight consumers.

Closing note

In every crisis, we strive to find an opportunity. It's time to review our course, make adjustments, and prepare for a different and better future. Waves of growth and recession have shaped human lives since the beginning of time. But, we must be prepared to weather any storm, always learning from our experiences and improving our capabilities. We remain optimistic for FY 2021-22.

The Company's Board, comprises leaders with domain expertise from diverse fields such as business, strategy, finance, risk management, retail, e-commerce and human resources and continues to guide the top management in achieving its long-term goals. We would like to take this opportunity to thank all our team members for their continuous engagement, commitment and support during the year. We also convey our deep appreciation to all our business partners, vendors and other business associates, for all they do which makes our Company successful. Finally, a very special thanks to all our shareholders for the faith they have bestowed on us over the years. We look forward to your continued support as we strengthen our today for our tomorrow.

We extend our warm wishes to everyone for their good health, safety and well-being.

With best wishes

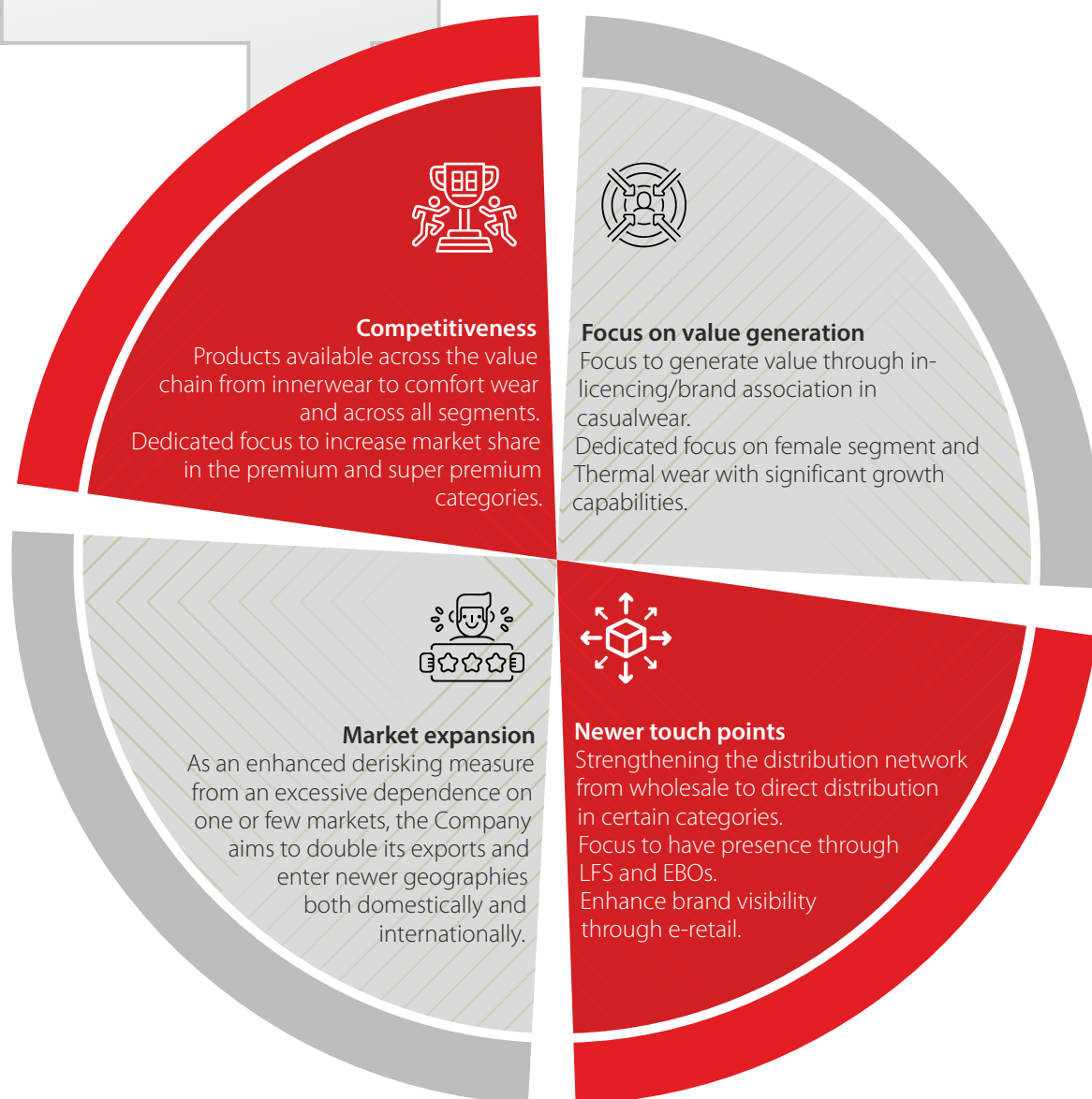
Prahlad Rai Agarwala, *Chairman*

Ghanshyam Prasad Agarwala, *Vice-Chairman*

Kunj Bihari Agarwal, *Managing Director*

4 ways

in which we intend to enhance shareholders value



START
SOMETHING
SEXY

EURO
FASHION INNERS®

sporty
is
the new
sexy



Milestones at Rupa

1968

Registration as Binod Hosiery with the launch of brand RUPA.

FRONTLINE
Yeh aaram ka mamla hai!

1985-95

Established as Rupa & Co. Pvt. Ltd.

Footline and Softline brand launched.

The company later on merged the business of Binod Hosiery with itself and converted it into a Public Limited Company.

Shares of the Company listed at Calcutta Stock Exchange and Jaipur Stock Exchange through IPO.

Economy brand Jon launched into the market.

Softline
Jon
footline

1997

Acquired the brand Bumchums.
Started manufacturing innerwear and casualwear.

Bumchums

1999-2000

Commissioned a dyeing unit at Domjur, Howrah
Started manufacturing thermal wear product – Thermocot.

THERMOCOT

2002

Conferred by the Limca Book of Records as largest manufacturer of Hosiery products.

2003

Acquired the Euro brand and started to export at international shores.

Conferred with Texcellence Award as a best brand for woollen knitwear.

2005

Launch of premium brand 'Macroman – M series'.

MACROMAN 

2006

Dyeing capacity at Domjur unit was doubled

ISO 9001:2008 certifications from BSI India.

2009-2010

Launch of the premium brand 'Macrowoman – W series'.

Increased dyeing capacity at Domjur unit.

Launched the premium brand 'Air'.

Conferred by CMO Asia as a Master Brand.

MACROWOMAN 
Air

2011-12

Launched apparel for kids under the brand 'Immogi'.

Listing of shares at NSE and BSE.

Started manufacturing leggings for womens as 'Femmora'.

femmora

2013-15

Launched premium innerwear for women under 'Macrowomen' and thermals as 'Torrido Thermal Wear'.

Conferred by the Limca Book of Records for consecutive 11 years as largest manufacturer for Hosiery products.

TORRIDO
PREMIUM THERMAL

2016-18

Acquired exclusive license from "FCUK" and Fruit of the Loom, to develop, manufacture, market and sale for innerwear products of the respective brands in India.
Awarded the "Promising Brands - 2018" by The Economic Times.

fcuk
underwear


FRUIT OF THE LOOM

2020-21

Achieved highest ever Revenue and PAT since inception.

Forces working together to create value

Our approach to value creation is underpinned by six-segment framework. In measures that we are responsive to the needs of all our stakeholders and are cognisant of our role in creating a larger social value. Our business is aligned to this approach and by using this we deliver products that creates an unparalleled comfort experience with competitive pricing thereby creating healthy customer value.

Our efforts enable us to build financial stability. Through the experience of its products, Rupa aims to positively impact the lives of its stakeholders including customers, employees and society.

Our resources



Financial Capital

We are focused on optimising capital allocation and maintaining a strong balance sheet while generating strong free cash flows. We also review all investments, taking into account the Group's financial resources with a view to maximising returns to shareholders.



Manufacturing Capital

We invest in best-in-class equipment and machinery to ensure we operate as efficiently and safely as possible, both at our current operations and in our expansion projects. This also supports our strong and sustainable cash flow generation.



Intellectual Capital

We are always keen to embrace technological developments and encourage innovation. We are focused at developing brands and new products that are most trusted by the customers. We encourage our people who are from various regions with diverse skills and experience, to nurture and implement innovative ideas which will lead to operational improvements across our operations.



Social and Relationship Capital

Shared values with key stakeholders ensure that the Rupa brand is synonymous with long-term conservative growth, ethical conduct and value creation for shareholders, dealers, distributors, government and regulators.

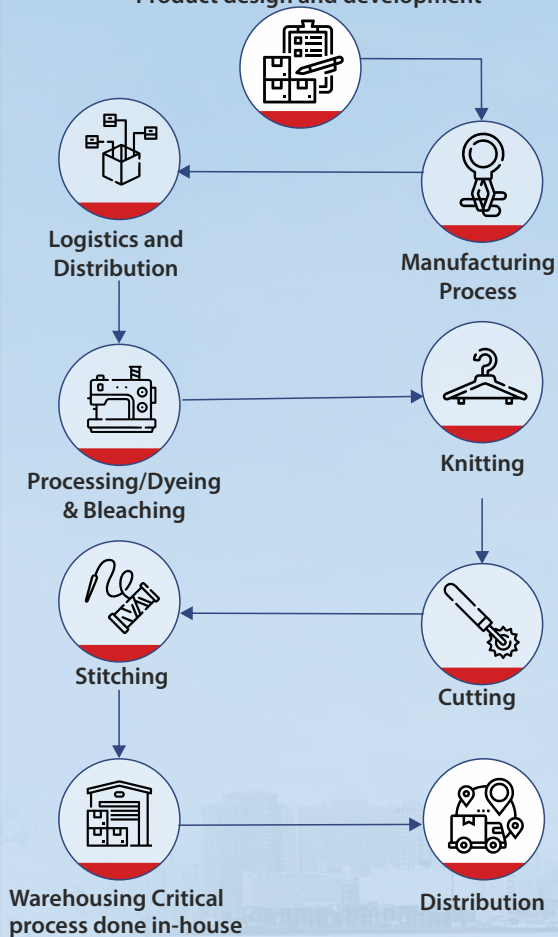


Natural Capital

Natural resources are in dispensable assets to Rupa. We aspire to offer safe and sustainable products, while at the same time promote environmental stewardship by adopting clean and green technology, responsible consumption and end of life solution.

Business process

Product design and development



Business goals:

- Invest extensively in manufacturing integration and scale.
- Upgradation and replacement of old machines.
- In-house work of critical businesses processes.
- Outsourcing of labour intensive work.

Outcome:

- Reduce cost and improve efficiency.
- Asset-light and employee-light business model at certain business functions.
- High quality of output.

Bumchums

13

I, ME
AND MY
BUMCHUMS

CASUAL WEAR | ATHLEISURE



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Forces working together to create value

Inputs we rely upon



Financial Capital

- Equity of ₹ 795.25 Lakhs
- Debt of ₹ 9,899.75 Lakhs
- Finance cost of ₹ 944.07 Lakhs



Manufacturing Capital

- Manufacturing locations spread in 4 States, West Bengal, Tamil Nadu, Uttar Pradesh and Karnataka.
- 7,00,000+ finished goods production capacity per day.
- Gross Block Assets of ₹ 22,599 Lakhs



Intellectual Capital

- Automated technologies (Dyeing, Cutting, Stitching, Colour matching) from world renowned manufacturers.
- Biodegradable fabrics used in manufacturing process.
- ₹ 5,617 Lakhs spent in brand building.
- 1,054 employees under the payroll of the Company.



Social and Relationship Capital

- Regular compliance adherence to various government agencies.
- Optimum Board with 6 Independent Directors for prudent corporate governance and follow strong governance practices.
- 1,200+ dealer network.



Natural Capital

- ₹ 319.30 Lakhs spent on social activities.
- Prudent use of environmental, social and economic resources to optimise on sustainable basis.
- ₹ 48,201.63 Lakhs of Raw Materials consumed.
- Usage of paddy husk in the boiler for power generation.

Value creation

- Operating Profit of ₹ 26,378.13 Lakhs
- Networth of ₹ 78,408.19. Lakhs
- EBIDTA Margin of 20.40%
- PAT Margin of 14.30%

- Revenue from operations jumped by 34%
- EBIDTA jumped by 99%
- PAT jumped by 126%

- Cash generated from operations ₹ 25,464 Lakhs
- 18 sub-brands under the Rupa umbrella brand.
- 100+ trademarks for various products registered domestically and internationally.
- Each products flaunts the colourfast guarantee.
- ₹ 4811.48 Lakhs spent towards employee benefit expenses.

- Strong network of nationally acclaimed banks to fund our expansion plans.
- EPS of ₹ 22.75 per share.
- Market Capitalisation of ₹ 2,44,378.97 Lakhs as at year end.
- Consistent Dividend paying since incorporation.
- Brands endorsed by leading Bollywood personalities.
- 1,25,000+ retail outlets, 11 EBOs where products are available.
- Leading e-commerce companies and large format stores through which products are sold.
- Various steps taken during pandemic for the underprivileged section of the society.

The Company keeps balance of the social, environmental and economic impact of the business it conducts. It also ensures that its business goals are pursued without compromising any of the three elements, throughout the life cycle of the goods, from design to disposal/ delivery, i.e., from acquisition of raw materials through manufacturing and processing, smart packaging, distribution and transportation, use and reuse, recycling and disposal.

Bumchums



I, ME AND MY
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MUSCLE TEE

RUPA[®]
FRONTLINE
HUNK



**IS THERE
A HUNK IN YOU?**

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www.rupaonlinestore.com

Forces working together to leverage brand and distribution scale

We have charted our path to growth with a clear strategic intent of manufacturing superior products and brands that are backed by strong investments. We have focused on brand innovation to achieve higher revenues. We aim at achieving greater portfolio clarity and sharper messaging to win with customers.

We believe in our brands. By staying true to their unique positions, we seek to harness their power to inspire deep, enduring relationships with customers. With the aid of our operational excellence and fashion forward designs, our brands have the potential to create growth opportunities. The Company has successfully built iconic brands of international stature for both, the masses and the classes. The Company has always spread awareness by engaging in various prestigious branding activities including ATL (Print media, Television, Cinema Advertising, Radio broadcast, Social Media Post and Celebrity endorsement) and BTL (Sign boards, Bill boards, In store promotion, Bus shelter, Hoardings, Event sponsorship, Press conference, Corporate Film, POP Materials, Dealers-Distributors Scheme, Annual meet, Bollywood events). Such integrated marketing campaigns are strategically aimed towards building a strong brand and expanding the consumer base in the targeted markets.

Our company launches new and contemporary products with customer centric campaigns. The Company continues to tap the market with its alluring comfort, designs, thereby surpassing the customers' expectations. Our in-house quality team and product development team search for eco-friendly raw materials based on key concepts such as functionality, durability of the knitted garment, ease-of-use and care.

We have been able to build a stronger distribution system with bigger, better, stronger channel partners who have more influence with the trade and have managed to provide superior returns on investments to distributors. We also track secondary sales to market on a monthly basis from all our channel partners and hence we have greater visibility on sales at a brand SKU level and we are able to track and monitor our overall distribution effectiveness.

₹ **373** Crore

Brand development expenses
in last 5 years

FCUK & Fruit of the Loom

Iconic brands under
Rupa's bouquet in India

**Amazon, Flipkart, Snapdeal,
Myntra, Paytm**

E-commerce websites with
company's product availability

**Ranveer Singh
and
Siddharth Malhotra**

Bollywood celebrities endorsing
Rupa brand products

Forces working together to leverage scale

We have laid a broader focus on process discipline, cost effective production process, meeting the quality standards and 'right time-right place' product availability approach helps to sustain the growth imperative.

Sourcing of raw material, apparel designing, and majority of critical manufacturing is all done in-house. A part of the entire production is sold directly through exclusive outlets and retail network. This has effectively helped the Company to control inventory levels and streamline production processes. Periodic audits at plants, quality control audits at third-party locations are the other methods adopted to ensure our products score high on the quality parameter. We are certified with ISO 9001:2008 certification from BSI India for our product quality and manufacturing excellence. We also have a well-equipped IT system to ensure real time information available through faster and efficient transmission of data. It has helped the Company, achieve optimal capacity utilisation as well as maintain lower costs. This has subsequently led to maintenance of healthy margins.

25 tons/day
Fabric Dyeing capacity

3 tons/day
Yarn/Dyeing capacity

Spectraflash
SF450
Colour matching software

CNC & CAD
Technology
Achieve consistency in
quality and quantity

EURO
FASHION INNERS®

START
SOMETHING
SEXY

artsy
is the new
sexy



SOLELY YOURS

Forces working together and spreading wings

With a primary presence in India and select markets across the globe, Rupa aims to develop scale and expand its footprints across new territories.



Focus on Exports and new markets and many more

UAE, Saudi Arabia, Kuwait, Iraq, Myanmar, Ukraine, Algeria, Indonesia, Nigeria, Congo, USA, Singapore, Russia and many more.

Strategy is to foray in newer markets by appointing new distributors and building experienced team and further penetrate in the existing markets.

100+

registration of trade marks
Nationally and Internationally

Forces working together through a constant focus on Environment, Society and Governance (ESG)

At Rupa, our sustainable business strategies are driven by the need to address the expectations of our stakeholders through mutual dialogue and need based intervention while at the same time addressing the priorities of business performance. We are mindful of our commitments towards environment, society including our stakeholders and ensuring prudent governance practices across our business value chain. These pillar of business practices has been the vanguard of business sustainability.

ENVIRONMENT SUSTAINABILITY

Our planet is fragile. It needs utmost love and sensitivity. As a responsible corporate citizen we believe that an unspoilt environment is the great inheritance we can leave for the future generations. Our company takes the utmost of the mother nature.



Water Management

The world is reeling under severe water crisis. As a result of the same, we have undertaken measures to consume less of water thereby focus on the core of "reduce, recycle and reuse". We have identified the operational areas where water consumption can be minimised through the use of advanced operational techniques. We have also laid guidelines and train our staff about the prudent use of water. As part of our corporate social responsibility, we have undertaken various steps to make available safe and hygiene drinking water at public places.



Energy Management

At Rupa, we have undertaken many measures to optimise the energy used and increase renewable sources. We also use paddy husk in the boiler for power generation. We also conduct energy audit at regular intervals and focus on new age technologies to reduce energy consumption. Plant locations are illuminated through LED lighting thereby reducing power usage.



Sustainable packaging

Packaging at Rupa is critically appraised through the lens of design, materials, manufacturability and consumer preferences, keeping consumers at core. Our packaging designs give signature identity to our brands. While we take pride in our distinguished identity through packaging we are also cognisant of the environmental and social consequences of using packaging materials. We constantly look for opportunities to improve and promote sustainability in our packaging portfolio.



SOCIAL SUSTAINABILITY



Empowering team to achieve more

At Rupa, we live by the philosophy that an organisation is only as effective as its people. It is, therefore, very important for us to keep our people motivated and engaged. We nurture employees through continuous training and guidance, thus developing an agile and high performance work culture. Our employees are given opportunities to better their own skills, be it technical, functional or areas of management. Our work culture embodies passion, creativity, speed and hard work. Our efforts have shown results visible in our business growth and the strengthening equity of our brands.



Talent acquisition goal and Employee experience at Rupa

- Re-organising the critical Human Resource structure and filling up the key resources which is critical to the functionability of business.
- Campus to Industry: Management Trainee (MT) process flowchart with an objective to create talent pool, building employer branding & infusing fresh talent in the organization.
- Reward & Recognition: Transparent system of appraisal across all management levels. It follows an open door policy where one can easily give the feedback to the management and vice-versa, thereby checking attrition at various levels.
- HR digitization process called "Sparsch".
- Structured induction with Zero day creation of employee code and provided induction kit alongwith IT System.
- Structured exit interview and the process of formal clearance so as to ensure that the exiting employees leaves as our foremost goal of "happy minds".
- Employees Engagement activities.



Community outreach

We are committed to make a difference by working to create economic opportunity, enhance the sustainability of our operations & the systems we operate in and strengthen local communities. We believe that an organization should focus on creating value in the long-term for the society as a whole. Our conscious endeavour is to serve the socio-economically backward, under-privileged and the marginalized communities. Various initiatives have been taken during the year, during pandemic and cyclone Amphan to serve and support the needy communities for their food, health and well-being.



▲ Making available safe drinking water at public places



▲ Covid-19: vaccination drive for Hosiery workers



▲ Covid-19: vaccination drive for the community



▲ Covid-19: providing food packets to the needy community



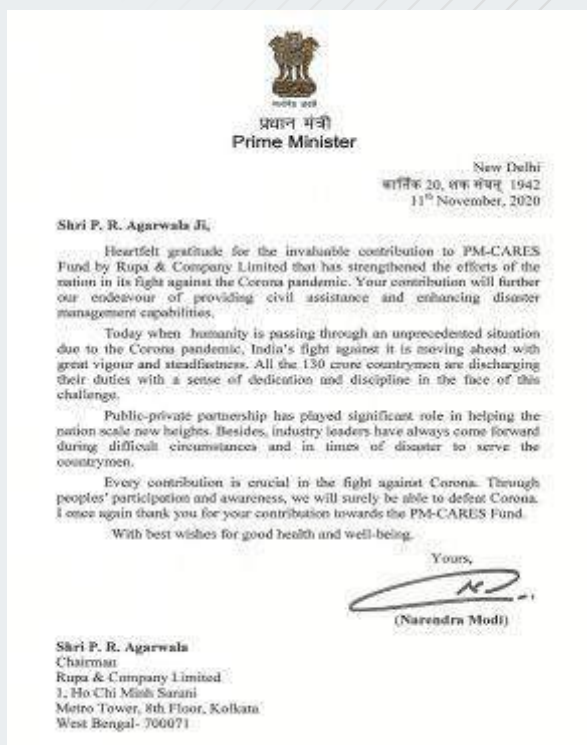
▲ Covid-19: providing food to the underprivileged section of the society



▲ Covid-19: providing food to the underprivileged section during lockdown



▲ Cyclone Amphan: making available foods to the needy community affected by the Cyclone



GOVERNANCE PRACTICES

At Rupa, our governance philosophies are based on transparency, accountability, values and ethics and are an integral part of the management's initiative in its pursuit towards excellence, growth and value creation. Our commitment towards highest standards of ethical governance practices and disclosure practices thereby ensure that the affairs are managed in the best interest of all stakeholders.

Being a listed company at NSE & BSE, we comply with the applicable guidelines of the SEBI Listing Regulations, as amended, with respect to Corporate Governance. We have a strong and active Board of Directors, who ensure the highest level of corporate governance with their experience and knowledge. Our Board of Directors comprise 12 board members out of which 6 are independent. The Board meets at least once a quarter to review the performance and provide their valuable insights.

Further, our multiple revenue platforms and cost-management initiatives help us deliver sustainable stakeholder returns. It is a predictable pattern that stakeholders expect from us. We are committed to fulfilling their expectations by strengthening current operations and leveraging future opportunities in the knitwear segment.

We also endeavour to be a responsible corporate citizen, contributing to the country's exchequer. This has prudently been reflected in our Financial Statements.





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Corporate Information

Board of Directors

Mr. Prahlad Rai Agarwala, *Chairman*
 Mr. Ghanshyam Prasad Agarwala, *Vice-Chairman*
 Mr. Kunj Bihari Agarwal, *Managing Director*
 Mr. Ramesh Agarwal, *Whole-time Director-cum-Chief Financial Officer*
 Mr. Mukesh Agarwal, *Whole-time Director*
 Mr. Niraj Kabra, *Executive Director*
 Mr. Dipak Kumar Banerjee, *Independent Director*
 Mr. Dharam Chand Jain, *Independent Director*
 Mr. Ashok Bhandari, *Independent Director*
 Mr. Sushil Patwari, *Independent Director*
 Mrs. Alka Devi Bangur, *Independent Director*
 Mr. Vinod Kumar Kothari, *Independent Director*

Chief Executive Officer

Mr. Dinesh Kumar Lodha

Company Secretary & Compliance Officer

Mr. Kundan Kumar Jha

Statutory Auditors

M/s. Singhi & Co., *Chartered Accountants*

Secretarial Auditor

M/s. Nidhi Bagri & Company
Practising Company Secretary

Bankers

IndusInd Bank Ltd.
 State Bank of India
 Citi Bank N.A.
 Standard Chartered Bank
 HDFC Bank Ltd.
 Kotak Mahindra Bank Ltd.
 DBS Bank Ltd
 The HSBC Ltd.

Registrar and Share Transfer Agent

Maheshwari Datamatics Pvt. Ltd.
 23, R. N. Mukherjee Road, 5th Floor
 Kolkata - 700 001
 E-mail ID: mdpldc@yahoo.com
 Website: www.mdpl.in

Board Committees

Audit Committee

Mr. Vinod Kumar Kothari, *Chairman*
 Mr. Dipak Kumar Banerjee, *Member*
 Mr. Ashok Bhandari, *Member*
 Mr. Sushil Patwari, *Member*
 Mr. Ramesh Agarwal, *Member*
 Mr. Mukesh Agarwal, *Member*

Nomination and Remuneration Committee

Mr. Dipak Kumar Banerjee, *Chairman*
 Mr. Vinod Kumar Kothari, *Member*
 Mr. Ashok Bhandari, *Member*

Corporate Social Responsibility Committee

Mr. Prahlad Rai Agarwala, *Chairman*
 Mr. Kunj Bihari Agarwal, *Member*
 Mr. Dipak Kumar Banerjee, *Member*

Stakeholders' Relationship Committee

Mr. Ashok Bhandari, *Chairman*
 Mr. Ramesh Agarwal, *Member*
 Mr. Mukesh Agarwal, *Member*

Risk Management Committee

Mr. Dipak Kumar Banerjee, *Chairman*
 Mr. Ashok Bhandari, *Member*
 Mr. Ramesh Agarwal, *Member*
 Mr. Mukesh Agarwal, *Member*
 Mr. Niraj Kabra, *Member*
 Mr. Dinesh Kumar Lodha, *Member*
 Mr. Vikash Agarwal, *Member*
 Mr. Arihant Kumar Baid, *Member*

Operations Committee

Mr. Kunj Bihari Agarwal, *Member*
 Mr. Ramesh Agarwal, *Member*
 Mr. Mukesh Agarwal, *Member*

Registered Office

Metro Tower, 8th Floor, 1, Ho Chi Minh Sarani, Kolkata - 700 071
 Phone: +91-33-4057 3100, Fax: +91-33-2288 1362
 Website: www.rupa.co.in, E-mail ID: connect@rupa.co.in
 CIN: L17299WB1985PLC038517



Directors Report



Dear Shareholders,

The Directors have pleasure in presenting their 36th Annual Report on the business and operations of the Company, along with the Audited Accounts of the Company, for the Financial Year ended March 31, 2021.

Report of the Board of Directors

for the Financial Year ended March 31, 2021

Financial Highlights

The financial performance of the Company is summarized hereunder:

Standalone Financial Review

(₹ in Lakhs)

Particulars	2020-21	2019-20
Revenue from Operations	1,26,121.68	94,140.11
Profit before Finance Costs, Tax, Depreciation/ Amortization (PBITDA)	26,378.13	13,251.98
Less: Finance Costs	944.07	1,481.22
Profit before Tax, Depreciation/Amortization (PBTDA)	25,434.06	11,770.76
Less: Depreciation	1,132.36	1,567.92
Profit before Tax (PBT)	24,301.70	10,202.84
Less: Tax Expense	6,211.77	2,196.31
Net Profit after Tax (PAT)	18,089.93	8,006.53
Other Comprehensive Income	10.87	7.16
Total Comprehensive Income for the year	18,100.80	8,013.69

Consolidated Financial Review

(₹ in Lakhs)

Particulars	2020-21	2019-20
Revenue from Operations	1,31,267.15	97,464.28
Profit before Finance Costs, Tax, Depreciation/ Amortization (PBITDA)	26,462.85	12,111.80
Less: Finance Costs	1,343.31	1,862.10
Profit before Depreciation/Amortization (PBTDA)	25,119.54	10,249.70
Less: Depreciation	1,378.98	1,851.45
Profit before Tax (PBT)	23,740.56	8,398.25
Less: Tax Expense	6,214.66	2,207.91
Net Profit after Tax (PAT)	17,525.90	6,190.34
Other Comprehensive Income	17.27	13.99
Total Comprehensive Income for the year	17,543.17	6,204.33

Covid-19 pandemic

The Covid-19 pandemic has emerged as a global challenge, creating disruption across the world. Many Countries are experiencing the desolation and devastation of the deadly virus. The pandemic has led to a dramatic loss of human life worldwide and presents an unprecedented challenge to public health, food systems and the world of work. The economic and social disruption caused by the pandemic is devastating, millions of people are at risk of falling into extreme poverty. Many enterprises are facing an existential threat also. A significant workforce is at risk of losing their livelihoods. Therefore, Global solutions are needed to overcome the challenges.

Due to the lockdown measures enforced by the Central Government and State Governments, the factories of the Company were not operating at the beginning of the year, however, they had started their operations in May, 2020, as per prescribed guidelines issued by the Government Authorities. The Company had adopted work from home policy for its employees, wherever necessary. The Company had undertaken several steps to help the community in which it operates, *inter alia*, providing food and other essentials to the needy community. The Company also provided essentials to the many needy people affected by the Cyclone Amphan, which had devastating affect and impacted many poor citizens across West Bengal in May, 2020.

Report of the Board of Directors

for the Financial Year ended March 31, 2021

State of Company's Affairs and Future Outlook

The Company achieved a Turnover of ₹ 1,26,121.68 lakhs during the financial year 2020-21, as against ₹ 94,140.11 lakhs in 2019-20, registering a growth of 34% over the last year. During the year, the Profit before Finance Charges, Depreciation and Tax stood at ₹ 26,378.13 lakhs, as against ₹ 13,251.98 lakhs during the previous year, an increase of 99% in comparison to previous year. The Net Profit for the year 2020-21 stood at ₹ 18,089.93 lakhs, as compared to ₹ 8,006.53 lakhs, during the previous year, a growth of 126% over the last year.

On consolidated basis, the Turnover for the year 2020-21 was ₹ 1,31,267.15 lakhs, as against ₹ 97,464.28 lakhs in 2019-20, registering a growth of 34% over the last year. The Profit before Finance Charges, Depreciation and Tax stood at ₹ 26,462.85 lakhs during 2020-21, as against ₹ 12,111.80 lakhs during the previous year, an increase of 118% in comparison to previous year. The Net Profit for the year 2020-21 stood at ₹ 17,525.90 lakhs, as compared to ₹ 6,190.34 lakhs, during the previous year, a growth of 183% over the last year.

Given that the Financial Year 2020-21 has been a very difficult year for all of us but the Company has given a stellar performance, despite all the challenges. We have seen a record growth across all our financial parameters, revenue, EBITDA or PAT. The Company delivered record revenues and profitability on back of strong volume growth, operational efficiencies, better product mix and cost specialization programs. In view of the robust performance, the Board of Directors have recommended a final dividend of ₹ 5 per equity share including a special dividend of ₹ 2 per equity share, as a mark of gratitude to our shareholders during this time of pandemic, which is 500% of face value for the financial year ended March 31, 2021.

The quality and durability, Rupa and sub brands are integrated across the hosiery value chain. The Company enjoys top of the mind recall across all segments and have earned the trust of millions of customers across globe. In line with evolving consumer preference and market demand the Company has introduced variety of new brands and sub-brands where the product has a latest fabric innovation, continuous production technique and advance design element to give the finest style and comfort to the end user. Rupa has a strong pan India presence. Rupa enjoys very solid position in East India and gaining a significant presence in North, followed by Western region. As a part of the strategy, we are expanding in new areas which are large but weak market for Rupa like South as well as some of the weak market where market is huge where we have a huge opportunity to grow. We are building new distributor and building experience theme to further strengthen our sale in those markets as well as existing market.

Coming to the current situation in the country, we are witnessing a second wave of Covid-19 infection and it has once again resulted in disruption of businesses, but the overall impact will be milder in comparison to last year's devastation. Several states have announced restrictions. Going forward, we expect a sharp upturn in business when the restrictions will be lifted and with the roll out of vaccines in phased manner from January, 2021, we expect that a sizeable population could be vaccinated in near future to control the pandemic, which will lead to a faster economic recovery.

The Company is engaged in the manufacturing, marketing, sales and distribution of Men's and Women's innerwear, thermal wear and casual wear for all sections of the society, like, economy, mid-premium, premium and super-premium. It has over 18 sub-brands and 8000 SKUs (Stock Keeping Unit), having a strong brand recall. In order to nurture its brands, the Company has been consistently involved in robust advertisement and brand promotion activities, thereby spending extensively on brand communication. The Company is one of the leaders in the innerwear garments industry having a distribution network spanning across India. The Company has a PAN-India presence with a large distribution network consisting of 4 central warehouses, 11 EBOs (Exclusive Brand Outlets), more than 1200 dealers and 1,25,000 retailers. It is also looking at enhancing availability through presence in e-commerce, MBOs (Multi-Brand Outlets) and LFRs (Large Format Retail Stores). The Company is also expanding its reach in e-commerce platform through tie-up with Amazon, Flipkart and other ecommerce platforms, as looking to double the growth. The plan is to create small to mid-sized Franchise Store Model with best-in-class SOPs. We want to establish franchise model within top 50 cities in India. Future plan is to roll out 30 EBOs by the year end and 100 EBOs in 2-3 years. Rupa is present across all e-commerce sites and Future plan is to enhance brand visibility through increasing online presence. The Company is aggressively focusing in expanding e-commerce and EBO business.

Report of the Board of Directors

for the Financial Year ended March 31, 2021

The Company has manufacturing facilities situated at Howrah, Kolkata, Tirupur, Bengaluru and Ghaziabad and have sales offices situated at Kolkata, Patna, Mumbai, Delhi, Ghaziabad, Bengaluru and Tirupur. The Company follows efficient business strategy by outsourcing low end and labour intensive work and utilizes its resources on key areas involving value addition, product differentiation, branding and distribution.

The Company caters to all segments including men, women and kid segment with its wide range of brands. The various sub-brands of the Company includes, Frontline, Jon, Air, Macroman, Euro, Bumchums, Torrido, Thermocot, Kidline, Footline, Softline, etc., catering to various segments, under its umbrella brand 'Rupa'. The brands are endorsed by leading celebrities including Ranveer Singh and Siddharth Malhotra. The Company also has premium brand, Macroman M-Series and the premium brand under Female segment, Macrowoman W-Series includes products like, lingerie, active wear and leisurewear.

The Wholly-owned Subsidiary of the Company, Oban Fashions Private Limited, has exclusive license for the brand 'FCUK' and the brand 'Fruit of the Loom' or 'FOTL', to manufacture, market and sale of innerwear and other products in India. The FCUK and FOTL products have been launched at different locations in India.

Coming to growth strategy, the Company is planning to scale up high margin revenue business, which includes the brands like FCUK, Fruit of the Loom and M-series. The vision is to occupy the consumer mindset in this category where the aspirational Indian consumer perhaps works with style. Our aim is to make premium inner wear based on comfort accessible to the consumer. The Company is also reinforcing high growth segment like Athleisure, Women wear and Thermal wear segment.

The male innerwear segment contributes significantly to the Company's business in comparison to the female innerwear segment. Presently, the Company is catering to female innerwear and loungewear space through its brands Jon and Softline for economy and premium category; and Macrowoman W-Series for super-premium category. The Company is continuously striving at strengthening its female innerwear segment, as well and is open to grow in this segment through inorganic route also in domestic market.

The Company has always been responsive towards the changing fashion needs by introducing new line of products across all segments. The Company believes in the overall growth of its innerwear, thermal wear and casual wear business across India through its innovative designs, superior product quality, ability to create a sustainable business model, initiatives to nurture the in-house talent and the zeal towards the healthy creation of stakeholders' value.

The Company is focusing on enhancing its product offering in the children and women's segment with the introduction of new products and brands. Both the children and women's segment have a lower presence of organized players and hence, provide a huge opportunity for the Company. The Indian innerwear market is shifting from a price sensitive market to a fashion quotient market. Accordingly, the group is gradually increasing its presence in the premium segment with direct and indirect strategic tie-ups with foreign brands. The Company is also expanding in new international geography in export business by opening business in new countries in middle-east, Africa and Russia.

Scheme of Arrangement

During the year under review, the Board of Directors of the Company, at its Meeting held on December 9, 2020 has approved the Scheme of Arrangement ("Scheme") for the demerger of premium brand undertaking (i.e., business pertaining to brands "FCUK" and "FOTL") of its Wholly-owned Subsidiary, Oban Fashions Private Limited ("Oban") into the Company. Given that the registered office of Oban is situated in Mumbai, i.e., within the jurisdiction of Hon'ble National Company Law Tribunal ('NCLT'), Mumbai and that the registered office of the Company is situated in Kolkata, i.e. within the jurisdiction of Hon'ble NCLT Kolkata Bench, the companies had filed separate applications before the respective Bench for getting directions w.r.t. dispensation from the NCLT convened meeting/ convening the meeting of shareholders and creditors for consideration of the proposed Scheme. Status of application before the respective Benches is as follows:

Before Hon'ble NCLT Kolkata Bench: The Hon'ble Bench vide order dated February 3, 2021, allowed the demerger application filed by the Company and directed to convene separate meetings of the Shareholders, Secured Creditors

Report of the Board of Directors

for the Financial Year ended March 31, 2021

and Unsecured Creditors of the Company under the Chairpersonship of Mr. Soumitra Lahiri, Chartered Accountant, to seek their approval w.r.t. the proposed Scheme. In terms of the directions of the Hon'ble Bench, the meetings were duly convened on March 26, 2021 and the resolution proposed for approval of the proposed Scheme has been duly passed with requisite majority. The Chairperson's reports w.r.t. the meetings were filed on April 13, 2021 and in terms of Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Company has filed a Petition before the Hon'ble Bench for sanction of the proposed Scheme. The matter shall be listed for hearing before the Hon'ble Bench on June 30, 2021. However, the Company has filed application for urgent hearing of the matter and the same was considered and order is awaited.

Before Hon'ble NCLT Mumbai Bench: The Hon'ble Bench vide order dated April 8, 2021, has allowed the demerger application filed by Oban. Given that Oban is a Wholly-owned subsidiary of the Company and that there was only 1 secured creditor in Oban as on the Cut-off date, the Hon'ble Bench has dispensed with the meeting of the shareholders and Secured Creditor of Oban. Further, with respect to Unsecured Creditors, the Hon'ble Bench has directed to send notices to all the Unsecured Creditors, seeking their objection/representation, if any, to the proposed Scheme. In terms of the direction of the Hon'ble Bench, Oban has sent Notice inviting objection/representation, if any, to the Unsecured Creditors on May 5, 2021 and is in the process of filing 2nd motion application before the Hon'ble NCLT.

Subsidiaries

The Company has the following 5 (five) Wholly-owned Subsidiaries as on March 31, 2021:

- (i) **Euro Fashion Inners International Private Limited**, which was earlier engaged in selling hosiery premium products under the brand name "EURO", designed for the fashion conscious consumers, has transferred its Business Operations to the Company through a Business Collaboration Agreement effective from April 1, 2014 and gets royalty from the Company for using the brand EURO in its business.

During the Financial Year under review, the Revenue from Operations, including Other Income, was ₹ 12.26 lakhs, as against ₹ 14.83 lakhs during the previous year. Net Profit during the year was ₹ 3.48 lakhs, as compared to ₹ 5.70 lakhs, during the previous year.

- (ii) **Imoogi Fashions Private Limited**, which is engaged in manufacturing, processing and selling hosiery and outer casual wear products, of premium category for female and kids segments under the brand name "Femmora".

During the Financial Year under review, the Revenue from Operations, including Other Income, was ₹ 243.64 lakhs, as against ₹ 402.13 lakhs during the previous year. Net Profit during the year was ₹ 4.35 lakhs, as compared to ₹ 27.69 lakhs, during the previous year.

- (iii) **Oban Fashions Private Limited**, has been incorporated with the object, *inter alia*, to operate Indian business of international brands managed under licensing/ franchise/ joint venture/ ownership arrangements, etc.

Oban Fashions Private Limited, has exclusive license with respect to brands "FCUK" from the French Connection Limited, and the brand "Fruit of the Loom" from Fruit of the Loom, Inc, a New York Corporation, being a Wholly-owned Subsidiary of Berkshire Hathaway Company, to develop, manufacture, market and sell of the innerwear and related products under the respective brand names, in India.

During the Financial Year under review, the Revenue from Operations, including Other Income was ₹ 5,385.94 lakhs, as against ₹ 3,396.31 lakhs, during the previous year. Net loss during the year was ₹ 570.21 lakhs, as compared to ₹ 1,847.85 lakhs, during the previous year.

- (iv) **Rupa Fashions Private Limited**, was incorporated as Wholly-owned Subsidiary of the Company, on December 11, 2019 with the object, *inter alia*, to be engaged in manufacturing and trading activities, etc.

During the Financial Year under review, there was no Revenue from Operations and the Net Loss during the year under review was ₹ 0.45 lakhs, as against ₹ 0.34 lakhs in the previous year.

Report of the Board of Directors

for the Financial Year ended March 31, 2021

- (v) **Rupa Bangladesh Private Limited**, was incorporated as Wholly-owned Subsidiary of the Company in Dhaka, Bangladesh, on September 1, 2019 with the object, *inter alia*, to be engaged in manufacturing activities, etc., in Bangladesh.

During the Financial Year under review, there was no Revenue from Operations and the Net Loss during the year under review was ₹ 1.22 lakhs, as against ₹ 1.39 lakhs in the previous year.

None of the above mentioned subsidiaries are 'Material Subsidiary' in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The statement in Form AOC-1 containing the salient features of the aforesaid subsidiaries has been separately annexed hereto, in terms of the first proviso to the Section 129(3) of the Companies Act, 2013, including any subsequent amendment thereto (the 'Act') read with Rule 5 of the Companies (Accounts) Rules, 2014. Further, the contribution of these subsidiaries to the overall performance of the Company is provided under the Notes to the Consolidated Financial Statements. The Audited Financial Statements, together with the Consolidated Financial Statements of the Company and other related information, and the Audited Accounts of the Company's subsidiaries are also available on the website of the Company at www.rupa.co.in.

The Annual Accounts of the subsidiaries and the related detailed information shall be made available to the Members of the Company, seeking such information at any point of time. The Members may request for such information by writing to the Company Secretary at the registered office of the Company. The copies of the Annual Accounts of the subsidiaries remain open for inspection by the Members at the Company's registered office.

Except as stated hereinabove, the Company did not have any other subsidiary, joint venture or associate company, during the year under review.

Change(s) in the Nature of Business

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

Dividend

For the Financial Year 2020-21, the Board of Directors of the Company has recommended a Final Dividend, for consideration of the shareholders of the Company at the ensuing Annual General Meeting (AGM), @ ₹ 5 per equity share, i.e. 500%, including a dividend of ₹ 2 per equity share as a mark of gratitude to the shareholders during the pandemic, for 7,95,24,560 equity shares of ₹ 1/- each, amounting to ₹ 39,76,22,800/- (Rupees Thirty-nine crore Seventy-six lakhs Twenty-two thousand and Eight hundred Only). The dividend payout is in accordance with the Company's Dividend Distribution Policy.

The Dividend Distribution Policy of the Company, adopted by the Board of Directors of the Company, in terms of Regulation 43A of the SEBI Listing Regulations is annexed hereto, marked as '**Annexure-I**' and is also available on the Company's website at <http://rupa.co.in/livesite/wp-content/uploads/2018/12/Dividend-Distribution-Policy.pdf>.

Transfer of unpaid/ unclaimed dividend and equity shares to the IEPF Authority

During the Financial Year ended March 31, 2021, the Company has transferred unclaimed and unpaid dividend for the Financial Year 2012-13, amounting to ₹ 1,17,404/- (Rupees One Lakh Seventeen Thousand Four Hundred Four only), to the IEPF Authority.

During the Financial Year ended March 31, 2021, 12,001 Equity Shares of ₹ 1/- each, held by 3 (three) shareholders, in aggregate, whose dividends remained unpaid or unclaimed for a period of 7 (seven) consecutive years or more, as on the due date, have been transferred to the IEPF Authority Demat Account, within the due date.

Demat Suspense Account/ Unclaimed Suspense Account

There were no shares underlying in the demat suspense account or unclaimed suspense account.

Report of the Board of Directors

for the Financial Year ended March 31, 2021

Transfer to Reserves

The Board is not proposing to transfer any amount to the General Reserves of the Company.

Changes in Share Capital

During the year under review, there were no changes in the Share Capital of the Company.

Credit Rating

Crisil Limited, the Credit Rating Agency, has assigned the credit ratings CRISIL AA-/Stable and CRISIL A1+ for the long term and short term debt instruments/facilities of the Company, respectively. The details of the rating assigned by the Credit Rating Agency have been disclosed in the Corporate Governance Report, which forms part of this Annual Report.

Directors and Key Managerial Personnel

Details of Directors and Key Managerial Personnel (KMP) appointed, re-appointed or resigned during the year are as below:

Sl.	Name	Date of Appointment/ Re-appointment/ Resignation
(i)	Mr. Ghanshyam Prasad Agarwala (DIN: 00224805)	Director liable to retire by rotation, reappointed at the AGM held on September 18, 2020. Re-appointed as the Whole-time Director at the AGM held on September 18, 2020, for a period of 5 (five) years, w.e.f. April 1, 2021. Designated as the Vice-Chairman
(ii)	Mr. Niraj Kabra (DIN: 08067989)	Director liable to retire by rotation, reappointed at the AGM held on September 18, 2020
(iii)	Mr. Kunj Bihari Agarwal (DIN: 00224857)	Re-appointed as the Managing Director at the AGM held on September 18, 2020, for a period of 5 (five) years, w.e.f. April 1, 2021.

Mr. Prahlad Rai Agarwala, Chairman (Whole-time Director) and Mr. Ramesh Agarwal, Whole-time Director-cum-Chief Financial Officer, are liable to retire by rotation at the ensuing AGM and being eligible, have offered themselves for re-appointment.

Further details of Directors are provided in the Corporate Governance Report, which forms part of this Annual Report. None of the Directors of the Company is disqualified under the provisions of Section 164(2)(a) & (b) of the Act. Apart from the aforesaid, no changes in the Directors and KMPs have taken place during the period under review.

Declaration given by the Independent Directors under Section 149(7) of the Act

All Independent Directors of the Company have given their declarations to the Company that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

In the opinion of the Board, the Independent Directors of the Company are persons of integrity, expertise and experience and duly qualified (including the ID Proficiency Test) to hold such positions. However, renewal of registration of Mr. Dharam Chand Jain is pending renewal due to some technical reasons and Mr. Jain is in process of renewing the same.

Number of Meetings of Board of Directors

During the Financial Year 2020-21, 5 (five) meetings of the Board of Directors were held, details of which are given in the Corporate Governance Report, which forms part of this Annual Report.

Separate Meeting of Independent Directors

During the year under review, the Independent Directors met on March 22, 2021 without the presence of Non-Independent Directors and members of the Management and, *inter alia*:

- reviewed the performance of Non-Independent Directors and the Board as a whole;
- reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

Report of the Board of Directors

for the Financial Year ended March 31, 2021

- (iii) assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively & reasonably perform their duties.

Apart from Mr. Dharam Chand Jain, all other Independent Directors were present at that meeting.

Annual Evaluation of Performance

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Nomination and Remuneration Committee has laid down the criteria for performance evaluation on the basis of which the Board has carried out evaluation of its own performance, the performance of Board Committees and of the Independent Directors individually.

The Independent Directors of the Company, without the participation of Non-Independent Directors and members of management, in their separate meeting held on March 22, 2021, have reviewed the performance of Non-Independent Directors and the Board as a whole and also the performance of the Chairperson of the Company. The review of performance of Non-Independent Directors was done, on various parameters, such as, skill, competence, experience, governance, degree of engagement, ideas & planning, attendance, leadership, etc. The Board performance was reviewed on various parameters, such as, adequacy of the composition of the Board, Board culture, appropriateness of qualification & expertise of Board members, process of identification and appointment of Independent Directors, inter-personal skills, ability to act proactively, managing conflicts, managing crisis situations, diversity in the knowledge and related industry expertise, roles and responsibilities of Board members, appropriate utilization of talents and skills of Board members, etc. The evaluation of performance of the Chairperson of the Company was conducted on various parameters, such as, leadership quality, capability, availability, clarity of understanding, governance & compliance and degree of contribution, etc.

The Nomination and Remuneration Committee of the Board, based on the report of the Independent Directors, evaluated the performance of the Non-Independent Directors. The said Committee members also evaluated the performance of the Independent Directors of the Company, based on the reports of the Executive Directors, considering their requisite skills, competence, experience and knowledge of the regulatory requirements relating to governance, such as, roles and responsibilities under the Code for Independent Directors, the Act, the SEBI Listing Regulations, etc.

The Board of Directors of the Company, based on the report of the Independent Directors and the Nomination and Remuneration Committee, evaluated the performance of Board and of individual Directors. The Board also carried out the evaluation of performance of its Committees on various parameters, such as, adequacy of meetings in enhancing the effectiveness of the Committee, existence of a defined set of objectives/ terms of reference, etc.

The result of review and evaluation of performance of Board, it's Committees and of individual Directors was found to be satisfactory.

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

The particulars related to the conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are annexed hereto, marked as 'Annexure – II'.

Particulars of Employees

The particulars of employees, as required under Section 197(12) of the Act, read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed hereto, marked as 'Annexure – III'.

Disclosure on Employee Stock Option/Purchase Scheme

Presently, the Company does not have any Employee Stock Option/Purchase Scheme.

Report of the Board of Directors

for the Financial Year ended March 31, 2021

Committees of the Board

As on March 31, 2021, the Company has 6 (six) Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder's Relationship Committee
- Corporate Social Responsibility (CSR) Committee
- Risk Management Committee
- Operations Committee

Audit Committee

As on March 31, 2021, the Audit Committee comprised of 6 (six) Members, of which majority were Independent Directors. The details with respect to the composition of the Audit Committee, the number of meetings held during the Financial Year under review and attendance therein, and the terms of reference has been detailed out in the Corporate Governance Report, which forms part of this Annual Report.

Further, there were no instances wherein the Board had not accepted any recommendation of the Audit Committee.

Nomination and Remuneration Committee

Details pertaining to constitution of the Nomination and Remuneration Committee of the Board of Directors of the Company, number of meetings held during the period under review, attendance therein and its terms of reference have been stated in the Corporate Governance Report, which forms part of this Annual Report.

Policy on Appointment and Remuneration

The Board, on the recommendation of the Nomination and Remuneration Committee, as prescribed under Section 178(3) of the Act, has framed a Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and other employees of the Company including criteria for determining qualifications, positive attributes, independence of a director and other matters and the same is available on the Company's website on http://rupa.co.in/livesite/wp-content/uploads/2018/12/Remuneration_Policy.pdf and is also annexed hereto, marked as 'Annexure – IV'.

Familiarisation Programme

The details of the familiarisation programme imparted to the Independent Directors of the Company are uploaded on the website of the Company at http://rupa.co.in/livesite/wp-content/uploads/2018/12/Familiarization_Programme_for_Independent_Directors1.pdf.

Stakeholders' Relationship Committee

Details pertaining to the constitution of the Stakeholders' Relationship Committee of the Board of Directors of the Company, number of meetings held during the Year under review, attendance therein, and its terms of reference have been stated in the Corporate Governance Report, which forms part of this Annual Report.

Corporate Social Responsibility Committee

The Company recognizes the value of being socially responsible corporate and therefore, it is committed towards the society and its people in a dedicated way.

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in the Annual Report on CSR Activities, as prescribed under Section 135 of the Act, read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed hereto, marked as 'Annexure –V'. This Policy is available on the Company's website on http://rupa.co.in/livesite/wp-content/uploads/2021/03/Corporate_Social_Responsibility_Policy.pdf.

Report of the Board of Directors

for the Financial Year ended March 31, 2021

Terms of Reference: The detailed terms of reference of the Corporate Social Responsibility Committee is available on the Company's website on <http://rupa.co.in/livesite/wp-content/uploads/2019/10/Corporate-Social-Responsibility-Committee.pdf>.

Composition of the Committee, Meeting and Attendance

During the Financial Year ended March 31, 2021, 2 (two) meetings of the Corporate Social Responsibility Committee were held. The composition of the Committee, meeting held and attendance therein, are as hereunder:

Name of Member	Position	Category	Meetings held during the year and Attendance	
			June 26, 2020	January 29, 2021
Mr. Prahlad Rai Agarwala	Chairman	Promoter, Executive	Present	Present
Mr. Kunj Bihari Agarwal	Member	Promoter, Executive	Present	Present
Mr. Dipak Kumar Banerjee	Member	Independent, Non-Executive	Present	Present

The composition of the Committee complies with the provision of Section 135 of the Act, read with Rules made thereunder.

Risk Management Committee

The Risk Management Committee of the Board of Directors of the Company, comprised of 6 (six) Members, as on March 31, 2021. The details with respect to its composition, the number of meetings held during the Financial Year under review and attendance therein, and the terms of reference has been detailed out in the Corporate Governance Report, which forms part of this Annual Report.

Operations Committee

For administrative convenience and ease of doing business, the Board of Directors of the Company had constituted the Operations Committee. The Operations Committee met 9 (nine) times during the year 2020-21. The composition of the Operations Committee and details of the Meeting and attendance thereof are as hereunder:

Name of the Member	Category	Meeting held during the year and Attendance								
		July 2, 2020	August 3, 2020	September 5, 2020	October 5, 2020	November 7, 2020	December 14, 2020	January 8, 2021	January 25, 2021	February 2, 2021
Mr. Kunj Bihari Agarwal	Executive, Promoter	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Ramesh Agarwal	Executive, Promoter	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Mukesh Agarwal	Executive, Promoter	Present	Present	Present	Present	Present	Present	Present	Present	Present

The terms of reference of the Operations Committee are available on the website of the Company, at the link, <http://rupa.co.in/site/wp-content/uploads/2015/10/Operations-Committee.pdf>. The Operations Committee also performs such other functions, as may be assigned to them, by the Board of Directors, from time to time.

Vigil Mechanism

In terms of the Section 177 of the Act, read with the Rules made thereunder and Regulation 22 of the SEBI Listing Regulations, the Company has framed a 'Whistle Blower Policy' with an objective to provide an avenue to address concerns, in line with the policy of the Company to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, as well as timely redressal of concerns and disclosures to build and strengthen a culture of transparency and trust in the Company. The mechanism also provides for adequate safeguards against

Report of the Board of Directors

for the Financial Year ended March 31, 2021

victimization of director(s) or employee(s) or any other person for availing the mechanism and in exceptional cases, direct access to the Chairman of the Audit Committee to report instances of fraud/ misconduct. The Audit Committee looks into the complaints raised, if any, and their redressal. The Whistle Blower Policy of the Company, is available on the website of the Company, at the link, http://rupa.co.in/livesite/wp-content/uploads/2019/03/Whistle_Blower_Policy.pdf.

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the draft Annual Return as on March 31, 2021 in e-form MGT 7 is available on the Company's website at the link <http://rupa.co.in/annual-report-annual-return/>. The final version of the Annual Return will be uploaded on the Company's website after the conclusion of the ensuing AGM.

Risk Management Policy

The Company has a Risk Management Policy which lays down the framework for identification and mitigation of various risks. The specific objectives of the Risk Management Policy are to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated and managed, to establish a framework for the Company's risk management process.

The Risk Management Framework emphasises proper analysing and understanding the underlying risks before undertaking any transaction. This enables a proper assessment of all risks and ensures that the transactions and processes conform to the Company's risk appetite and regulatory requirements.

The Risk Management Policy is discussed at the meeting of the Audit Committee and the Risk Management Committee of the Board of Directors. The management accepts the suggestions with regard to mitigation of risks that may arise in future. Further, in the opinion of the Board, there are no existing factors which threaten the existence of the Company.

Internal Financial Control Systems with reference to Financial Statements and its adequacy

The Company has adequate Internal Financial Control systems and procedures which are commensurate with its size and nature of business. It is ensured that all the assets are safeguarded and protected against loss and all transactions are authorized, recorded and reported correctly. The Internal Financial Control systems of the Company are monitored and evaluated and reviewed by the Audit Committee.

The Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively. In this regard, the Board confirms the following:

- 1) Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization;
- 2) Systems and procedures exist to ensure that all transactions are recorded, as necessary to permit preparation of Financial Statements in conformity with Generally Accepted Accounting Principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information;
- 3) Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted;
- 4) The existing assets of the Company are verified/ checked at reasonable intervals and appropriate action is taken with respect to differences, if any; and
- 5) Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

Further, the certificate from Managing Director, Chief Executive Officer and Chief Financial Officer, in terms of Regulation 17(8) of the SEBI Listing Regulations, provided in this Annual Report, also certifies the adequacy of our Internal Control systems and procedures.

Report of the Board of Directors

for the Financial Year ended March 31, 2021

Statutory Auditors and Auditors' Report

M/s. Singhi & Co. (Firm Registration Number 302049E), Chartered Accountants, had been appointed as the Statutory Auditor of the Company to hold office for a period of 5 (five) years from the conclusion of the 32nd AGM of the Company (for the Financial Year 2016-17), held on August 31, 2017, until the conclusion of the 37th AGM of the Company for the Financial Year 2021-22.

The Notes on accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further explanations/comments.

Internal Auditor

M/s. Das & Prasad, Chartered Accountants (Firm Registration Number 303054E), was appointed as the Internal Auditors of the Company to conduct the Internal Audit for the Financial Year 2020-21. Further, the Audit Committee considers and reviews the Internal Audit Report submitted by the Internal Auditor on a quarterly basis.

Details in respect of Fraud

During the Financial Year 2020-21, the Auditors have not reported any fraud, as prescribed under Section 143(12) of the Act.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed CS Nidhi Bagri of M/s. Nidhi Bagri & Company, Practicing Company Secretaries, to conduct the Secretarial Audit of the Company, for the Financial Year 2020-21. The Secretarial Audit Report in Form MR-3, for the Financial Year 2020-21, is annexed hereto, marked as '**Annexure – VI**'. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report

No material changes and commitments affecting the financial position of the Company have occurred between the end of the Financial Year 2020-21 and the date of this Report.

Details of significant and material orders passed by the Regulators/ Courts/ Tribunals impacting the going concern status and the Company's operations in future

No such significant and material order has been passed by any Regulator/ Court/ Tribunals against the Company, which will impact the going concern status and the Company's operations in future. The Scheme of Arrangement between the Company and Oban Fashions Private Limited has been pending before the Hon'ble NCLT. The detailed status of the same has been explained hereinbefore in this Report.

Deposits

The Company has not accepted any deposit within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014, during the Financial Year ended March 31, 2021.

Particulars of Loans, Guarantees or Investments

The loan and guarantee given by the Company during the financial year ended March 31, 2021 are within the limits prescribed under Section 186 of the Act. Further, the details of the said loan given, guarantee given and investment made are provided in the Notes to the Financial Statements of the Company.

The related party disclosures with respect to loans/ advances at the end of the Financial Year under review and maximum outstanding amount thereof during the year, as required under Part A of Schedule V to the SEBI Listing Regulations, have been provided in the Notes to the Financial Statements of the Company.

Report of the Board of Directors

for the Financial Year ended March 31, 2021

Particulars of Contracts or Arrangements with Related Parties

There were no materially significant related party transactions entered into by the Company which may have potential conflict with the interest of the Company. All contracts/ arrangements/ transactions entered by the Company during the Financial Year 2020-21, with its related parties, were in the ordinary course of business and on an arm's length basis and were reviewed and approved by the Audit Committee of the Board. Further, during the Financial Year, the Company has not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Company's policy of Materiality of Related Party Transactions except those provided in Form AOC-2, annexed hereto, marked as 'Annexure – VII'. Further, suitable disclosure as required by the Accounting Standards has been made in the Notes to the Financial Statements.

The Policy on dealing with Related Party Transactions is available on the Company's website on <http://rupa.co.in/livesite/wp-content/uploads/2018/12/policy-on-related-party-transactions.pdf>.

Particulars of Contract with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company

The details of the transactions entered into by the Company with promoter/ promoter group, which hold(s) 10% or more shareholding in the Company, are as hereunder:

Name of the Person	% of shares held in the Company	Nature of relationship	Nature of transaction	Amount (₹)
Ullas Sales Promotion LLP (formerly known as Ullas Sales Promotion Limited)	27.20%	Enterprises owned or significantly influenced by key management personnel or their relatives	Dividend	6,48,92,580
Mr. Prahlad Rai Agarwala, jointly with Mr. Ghanshyam Prasad Agarwala and Mr. Kunj Bihari Agarwal, on behalf of a partnership firm, M/s Binod Hosiery	21.08%		Dividend	5,02,90,968
			Rent payment	14,400

Compliance with Secretarial Standards

The Directors state that the Company is in compliance with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

Maintenance of Cost Records

The provisions of Section 148 of the Companies Act, 2013, with respect to maintenance of Cost records are not applicable to the Company.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report, in terms of Regulation 34, read with Schedule V of the SEBI Listing Regulations, forms part of this Annual Report.

Corporate Governance Report

The Corporate Governance Report, in terms of Regulation 34(3), read with Schedule V, of the SEBI Listing Regulations, forms part of this Annual Report. The Company has obtained a certificate from the Statutory Auditors of the Company, M/s. Singhi & Co. (Firm Registration Number 302049E), regarding compliance of conditions of Corporate Governance and the same forms part of this Annual Report.

Business Responsibility Report

The Business Responsibility Report, in terms of Regulation 34 of the Listing Regulations, forms part of this Annual Report.

Report of the Board of Directors

for the Financial Year ended March 31, 2021

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company is committed to provide a safe and conducive work environment to its employees and has formulated 'Policy for Prevention of Sexual Harassment' to prohibit, prevent or deter any acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment. Further, the Company has complied with the provisions relating to constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

However, during the year under review no such incidence has been reported.

Directors' Responsibility Statement

To the best of our knowledge and belief and according to the information and explanations obtained by us, we hereby make the following statements in terms of Section 134(3)(c) and 134(5) of the Act:

- (i) that in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- (ii) that such accounting policies as mentioned in Notes to the Annual Accounts have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for that period;
- (iii) that proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities has been taken;
- (iv) that the Annual Accounts has been prepared on a going concern basis;
- (v) that proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems were adequate and operating effectively; and
- (vi) that internal financial control to be followed by the Company are in place and that such internal financial controls are adequate and are operating effectively.

Annexures forming a part of this Report of the Directors

Annexure	Particulars
I	Dividend Distribution Policy
II	Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
III	Particulars of Employees
IV	Policy on Appointment and Remuneration
V	Annual Report on CSR Activities
VI	Secretarial Audit Report
VII	Particulars of Contracts or Arrangements with Related Parties in Form AOC-2

Acknowledgement

We would take this opportunity to thank our customers, vendors, bankers, stakeholders and the Government for their continued support. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth is possible because of their hard work, solidarity, co-operation and support.

By order of the Board
For **Rupa & Company Limited**

Sd/-

Prahlad Rai Agarwala

Chairman

DIN: 00847452

Place: Kolkata

Date: May 31, 2021

Annexure to the Board's Report

Annexure – I

Dividend Distribution Policy

[Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Background

The Securities Exchange Board of India ("SEBI") vide its Notification dated July 08, 2016 has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") by inserting Regulation 43A in order to make it mandatory to have a Dividend Distribution Policy in place by the top five hundred listed companies based on their market capitalization calculated as on the 31st day of March of every year.

The Board of Directors of Rupa & Company Limited ("the Company") has adopted this Dividend Distribution Policy of the Company as per the requirement, abovementioned.

2. Effective Date

This Policy shall become effective from the date of its adoption by the Board i.e. February 10, 2017.

3. Definitions and Interpretations

- (a) 'Act' shall mean the Companies Act, 2013 as amended from time to time and shall include Rules, Regulations and Secretarial Standards made thereunder or pursuant thereto;
- (b) 'Board' shall mean Board of Directors of the Company;
- (c) 'Company' shall mean Rupa & Company Limited;
- (d) 'Dividend' includes interim dividend;
- (e) 'Policy' shall mean Dividend Distribution Policy of the Company as per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (f) 'Listing Regulations' shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All words and expressions used but not defined in this Policy, but defined in the Act or the Listing Regulations shall have the same meaning as respectively assigned to them in such Act or Listing Regulations, as the case may be.

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

4. Purpose, Objectives and Scope

Considering the provisions of the Regulation 43A of the Listing Regulations, the Board recognizes the need to lay down a broad framework for considering decisions by the Board of the Company, with regard to distribution of dividend to its shareholders and/ or retaining or plough back of its profits. The Policy also sets out the circumstances and different factors for consideration by the Board at the time of taking such decisions of distribution or retention of profits, in the interest of providing transparency to the shareholders.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

Declaration of dividend on the basis of parameters in addition to the elements of this Policy or resulting in amendment of any element or the Policy will be regarded as deviation. Any such deviation on elements of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, along with the rationale will be disclosed in the Annual Report by the Board of Directors.

Annexure to the Board's Report

The Policy reflects the intent of the Company to reward its shareholders by sharing a portion of its profits after retaining sufficient funds for growth of the Company. The Company shall pursue this Policy, to pay, subject to the circumstances and factors enlisted hereon, progressive dividend, which shall be consistent with the performance of the Company over the years.

The Policy shall not apply to: • Determination and declaring dividend on preference shares, if any, as the same will be as per the terms of issue approved by the shareholders; • Distribution i.e. by issue of fully or partly paid bonus shares or other securities, subject to applicable law; • Distribution of cash as an alternative to payment of dividend by way of buyback of equity shares.

5. Considerations relevant for Decision of Dividend Pay-Out

The Board shall consider the following, while taking decisions of a dividend payout during a particular year:

Statutory requirements: The Company shall observe the relevant statutory requirements including those with respect to mandatory transfer of a certain portion of profits to any specific reserve such as Debenture Redemption Reserve, Deposit Repayment Reserve etc., if any, as provided in the Act or any other statutes which may be applicable to the Company at the time of taking decision with regard to dividend declaration or retention of profit.

Agreements with lending institutions/ Debenture Trustees: The decision of dividend pay-out shall also be affected by the restrictions and covenants contained in the agreements with the lenders of the Company, if any, from time to time.

Shareholders agreement including JV agreement entered into by the Company: The decision of dividend pay-out shall meet the conditions of any Shareholders agreement including JV agreement, if any, to be entered into by the Company.

Long term strategic objectives of the Company as regards financial leverage: The Board shall analyse the requirement of necessary funds considering the long term or short term projects proposed to be undertaken by the Company and the viability of the options in terms of cost of raising necessary funds from outsiders such as bankers, lending institutions or by issuance of debt securities or ploughing back its own funds.

Prudential requirements: The Company shall analyse the prospective projects and strategic decisions in order to decide: • to build a healthy reserve of retained earnings; • to augment long term strength; • to build a pool of internally generated funds to provide long-term resources as well as resource-raising potential for the Company; and • the needs for capital conservation and appreciation.

Proposals for major capital expenditures etc.: In addition to plough back of earnings on account of depreciation, the Board may also take into consideration the need for replacement of capital assets, expansion and modernization or augmentation of capital stock, including any major capital expenditure proposals.

General considerations: Subject to the considerations as provided in the Policy, the Board shall determine the dividend payout in a particular year after taking into consideration the operating and financial performance of the Company, the advice of executive management including the CFO, and other relevant factors.

6. Other Financial Parameters

In addition to the aforesaid parameters such as realized profits and proposed major capital expenditures, the decision of dividend payout or retention of profits shall also be based the following-

Operating cash flow of the Company: If the Company cannot generate adequate operating cash flow, it may need to rely on outside funding to meet its financial obligations and sometimes to run the day-to-day operations. The Board will consider the same before its decision whether to declare dividend or retain its profits.

Net sales of the Company: To increase its sales in the long run, the Company will need to increase its marketing and selling expenses, advertising etc. The amount outlay in such activities will influence the decision of declaration of dividend.

Annexure to the Board's Report

Return on invested capital: The efficiency with which the Company uses its capital will impact the decision of dividend declaration.

Magnitude of earnings of the Company: Since dividend is directly linked with the availability of earning over the long haul, the magnitude of earnings will significantly impact the decisions of dividend declaration of the Company.

Cost of borrowings: The Board will analyze the requirement of necessary funds considering the long term or short term projects proposed to be undertaken by the Company and the viability of the options in terms of cost of raising necessary funds from outsiders such as bankers, lending institutions or by issuance of debt securities or plough back its own funds.

Obligations to creditors: The Company should be able to repay its debt obligations without much difficulty over a reasonable period of time. Considering the volume of such obligations and time period of repayment, the decision of dividend declaration shall be taken.

Inadequacy of profits: If during any Financial Year, the Board determines that the profits of the Company are inadequate, the Board may decide not to declare dividends for that financial year.

Post dividend EPS: The post dividend EPS can have strong impact on the funds of the Company, thus, impacting the overall operations on day-to-day basis and therefore, affects the profits and can impact the decision for dividend declaration during a particular year.

7. Factors that may affect Dividend Payout

External Factors: Taxation and other regulatory concern

- Dividend distribution tax or any tax deduction at source as required by applicable tax regulations in India, as may be applicable at the time of declaration of dividend.
- Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.

Product/ market expansion plan: The Company's growth oriented decision to conserve cash in the Company for future expansion plan impacts shareholders expectation for the long run which shall have to consider by the Board before taking dividend decision.

Macroeconomic conditions: Considering the state of economy in the Country, the policy decisions that may be formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, the management may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances.

Internal Factors

Past performance/ reputation of the Company: The trend of the performance/ reputation of the Company that has been during the past years determine the expectation of the shareholders.

Working capital management in the Company: The current working capital management system within the Company also impacts the decision of dividend declaration.

Age of the Company and its product/market: The age of the Company and its product or the market in which the Company operates will be one of the most significant determining factors to the profitability of the Company and dividend declaration or retention.

Amount of cash holdings in the Company: In the investor's point of view, in the absence of any major expansion plan or capital investments or other strategic investment plans in the hands of the Company, the investors may not appreciate excessive cash holdings in the Company. The Board shall have to consider the same before taking decision of dividend declaration.

Annexure to the Board's Report

8. Circumstances under which Dividend Payout may or may not be expected

The Board shall consider the factors provided above under Paras 5 to 7, before determination of any dividend payout after analyzing the prospective opportunities and threats, viability of the options of dividend payout or retention etc. The decision of dividend payout shall, majorly be based on the aforesaid factors considering the balanced interest of the shareholders and the Company.

9. Manner of utilisation of retained earnings

The Board may retain its earnings in order to make better use of the available funds and increase the value of the shareholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Market expansion plan; • Product expansion plan; • Increase in production capacity; • Modernisation plan; • Diversification of business; • Long term strategic plans; • Replacement of capital assets; • Where the cost of debt is expensive; • Other such criteria as the Board may deem fit.

10. Parameters with regard to various classes of shares

The paid-up capital of the Company is consisting of only equity shares of nominal value of Re.1/- each and does not have different classes of shares. However, if different class of shares be issued subsequently, the same shall meet the parameters based on the respective rights attached to each class of shares as per their terms of issue.

11. Range of Dividend

Subject to the regulatory requirements, this Policy and the factors which are necessarily to be considered at the time of recommending/ declaring the dividend, the Board would endeavor to maintain a dividend pay-out (including applicable taxes) in the range of 20% to 45% of the Standalone Profit after Tax of the Company. The Company would endeavor to keep and maintain the said range of dividend payout except for reasons to be recorded.

12. Amendment

The Chairman or Managing Director of the Company shall be jointly/severally authorised to review and amend the Policy, to give effect to any changes/ amendments notified by any regulator under the applicable law from time to time. Such amended Policy shall be periodically placed before the Board for noting and necessary ratification.

Annexure to the Board's Report

Annexure – II

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

[Pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) Conservation of Energy

- (i) Steps taken or impact on conservation of energy:
 - (a) Installation of a Heat Recycling System whereby the heat from the discharged affluent is trapped and used for heating of normal water from 30 to 65 degrees without using any extra energy.
 - (b) Condensed water from the steam is recycled to heat water, thereby, saving energy.
- (ii) Steps taken by the Company for utilising alternate sources of energy: Instead of furnace oil, diesel or wood, the Company uses paddy husk as fuel for the boiler for generating power. This reduces the carbon footprint considerably and is considered to be green fuel.
- (iii) Capital investment on energy conservation equipments: No direct identifiable investment pertaining to conservation of energy was done during the year. Hence the amount of investment cannot be directly measured.

(B) Technology Absorption

- (i) Efforts made towards technology absorption: The Company has always been aware of the latest technological developments and adapted them to make products more cost effective and to attain high levels of quality.
- (ii) Benefits derived through use of machines: By using new technology, the Company is being able to get more accuracy in cutting fabrics, resulting in huge savings of fabrics, thus, leading to reduced consumption. At the same time, it also helps the Company to reduce the number of days of work in progress. Also, there is an improvement in the quality.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year):
 - (a) Details of technology imported: The Company has imported machines with the latest and updated technology. Several cutting machines, knitting machines, spreader machine, PLC controlled multi chamber stenter and compactor and slitting machine including accessories have been imported during the year 2018-19 and 2020-21. The said machines were purchased from Morgan Tecnica SPA, Italy, Unitex Texmac Pte Ltd, Singapore, Bierrebi Italia SRL, Italy, Mahela Machines India Ltd (Bullmer), Bruckner Textile technologies GmbH & Co. KG, Germany and Ferraro SPA, Italy.
 - (b) Year of import: 2018-19 and 2020-21
 - (c) Whether the technology has been fully absorbed: Yes.
- (iv) Expenditure incurred on Research and Development: Nil.

(C) Foreign Exchange Earnings and Outgo

Foreign Exchange earned in terms of actual inflows during the year	:	₹ 1,541.23 Lakhs
Foreign Exchange outgo during the year in terms of actual outflows	:	₹ 249.82 Lakhs

By order of the Board
For **Rupa & Company Limited**

Sd/-

Prahlad Rai Agarwala

Chairman

DIN: 00847452

Place: Kolkata

Date: May 31, 2021

Annexure to the Board's Report

Annexure – III

Details pertaining to the Remuneration, as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, for the Financial Year 2020-21

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary, during the Financial Year 2020-21, are as under:

Sl. No.	Name of Director/ KMP and Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase/ decrease in remuneration received by Director/ KMP in the Financial Year 2020-21
1	Mr. Prahlad Rai Agarwala, Chairman	193:1	Nil
2	Mr. Ghanshyam Prasad Agarwala, Vice-Chairman	94:1	Nil
3	Mr. Kunj Bihari Agarwal, Managing Director	94:1	Nil
4	Mr. Ramesh Agarwal, Whole-time Director-cum-Chief Financial Officer	100:1	6
5	Mr. Mukesh Agarwal, Whole-time Director	100:1	6
6	Mr. Dipak Kumar Banerjee, Independent Director	14:1	14
7	Mr. Dharam Chand Jain, Independent Director	6:1	-12
8	Mr. Sushil Patwari, Independent Director	13:1	36
9	Mrs. Alka Devi Bangur, Independent Director	8:1	47
10	Mr. Vinod Kumar Kothari, Independent Director	12:1	3
11	Mr. Ashok Bhandari, Independent Director	13:1	34
12	Mr. Niraj Kabra, Executive Director	16:1	-6
13	Mr. Dinesh Kumar Lodha, Chief Executive Officer		48
14	Mr. Kundan Kumar Jha, Company Secretary and Compliance Officer	N.A.	6

Note: Remuneration to Independent Directors consists of Commission and Sitting fees. Numbers are rounded off to nearest number.

- (ii) There was no increase in the median remuneration of employees of the Company during the Financial Year 2020-21.
- (iii) Number of permanent employees on the rolls of Company as on March 31, 2021 was 1054.
- (iv) Average percentile increase in total remuneration paid to employees other than the managerial personnel in the Financial Year 2020-21 was -15%, whereas the increase in the total managerial remuneration for the same Financial Year was 2%. The managerial remuneration is linked to market trend and industry segment composition.
- (v) We hereby affirm that the remuneration paid is as per the Remuneration Policy of the Company.
- (vi) The Managing Director and the Whole-time Directors of the Company do not receive any remuneration or commission from its Wholly-owned Subsidiaries.

Annexure to the Board's Report

Statement of particulars of employees as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended, from time to time

Name	Designation	Remune- ration (₹ in Lakhs)	Qualification and Experience (years)	Age (years)	Date of Commence- ment of Employment	Last Employment
Employed throughout the financial year						
Mr. Prahlad Rai Agarwala	Chairman (Whole-time Director)	208.00	Bachelor's degree in Law, B. Com, having an experience of more than 53 years	83	February 6, 1985	None
Mr. Ghanshyam Prasad Agarwala	Vice-Chairman (Whole-time Director)	102.00	B. Com, having an experience of more than 48 years	75	July 13, 1987	None
Mr. Kunj Bihari Agarwal	Managing Director	102.00	B. Com, having an experience of more than 46 years	71	July 17, 1987	None
Mr. Ramesh Agarwal	Whole-time Director-cum- Chief Financial Officer	108.00	B. Com, having an experience of more than 26 years in the textile industries	52	April 1, 2004	None
Mr. Mukesh Agarwal	Whole-time Director	108.00	B. Com, having an experience of more than 21 years in the textile industries	50	April 1, 2004	None
Mr. Ravi Agarwal ⁴	President	100.80	MBA in Marketing from Geneva, Switzerland, having an experience of more than 17 years	47	September 11, 2004	None
Mr. Manish Agarwal ⁵	President	100.80	Bachelor's degree in Mechanical Engineering, having an experience of more than 17 years	46	September 11, 2004	None
Mr. Vikash Agarwal ⁴	President	100.80	Diploma in Marketing Management from University of California, USA, having an experience of more than 17 years	44	September 11, 2004	None
Mr. Rajnish Agarwal ⁵	President	100.80	Master's in Business Administration in Marketing from University of Cardiff, having an experience of more than 17 years	43	September 11, 2004	None

Annexure to the Board's Report

Name	Designation	Remune- ration (₹ in Lakhs)	Qualification and Experience (years)	Age (years)	Date of Commence- ment of Employment	Last Employment
Employed throughout the financial year						
Mr. Dinesh Kumar Lodha ⁶	Chief Executive Officer	378.25	CA, CS, Black Belt (Quality Certification) – Lean Six Sigma, GE USA, Graduated from GE Crotonville, USA in Executive & Strategic Leadership (GE MDC), Global Director Course in Samsung leadership center in Korea for 2 weeks, Graduated from ISB Hyderabad on marketing strategies in competitive environment, having an experience of more than 25 years	49	February 25, 2019	Group CEO – (India and Global Business) Healthium Medtech (Apax portfolio company) Formerly known as Sutures India

Notes:

- 1) Remuneration includes salary, commission, bonus, allowances and monetary value of perquisites but excludes gratuity provision.
- 2) All appointments are contractual.
- 3) The inter-se relation between the Directors of the Company has been disclosed in the Corporate Governance Report, which forms part of this Annual Report.
- 4) Mr. Ravi Agarwal and Mr. Vikash Agarwal, employed throughout the Financial Year, were in receipt of remuneration for the year, at a rate, which was in excess of that drawn by a Whole-time Director of the Company and they hold 2.19% and 2.21% of the equity shares of the Company, respectively. Mr. Ravi Agarwal and Mr. Vikash Agarwal are sons of Mr. Kunj Bihari Agarwal, Managing Director of the Company.
- 5) Mr. Manish Agarwal and Mr. Rajnish Agarwal are sons of Mr. Ghanshyam Prasad Agarwala, Vice-chairman, and brothers of Mr. Mukesh Agarwal, Whole-time Director.
- 6) Mr. Dinesh Kumar Lodha is not related to any Director of the Company.
- 7) The above details include details of top ten employees of the Company, in terms of remuneration drawn during the Financial Year 2020-21.

By order of the Board
For **Rupa & Company Limited**

Sd/-

Prahlad Rai Agarwala

Chairman

DIN: 00847452

Place: Kolkata

Date: May 31, 2021

Annexure to the Board's Report

Annexure – IV

Remuneration Policy

Framed under Section 178(3) of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors (the "Board") of Rupa and Company Limited (the "Company") had initially adopted this Remuneration Policy (the "Policy") on May 21, 2015, as required in terms of Section 178 of the Companies Act, 2013 and revised Clause 49 of the erstwhile Listing Agreement. In view of the amendments made in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Policy has been amended with effect from 8th February, 2019.

Clarifications, Amendments and Updates

This Policy shall be implemented as per the provisions of the Applicable Law. Any amendments in the Applicable Law, including any clarification/ circulars of relevant regulator, shall be read into this Policy such that the Policy shall automatically reflect the contemporaneous Applicable Law at the time of its implementation.

All words and expressions used herein, unless defined herein, shall have the same meaning as respectively assigned to them, in the Applicable Law under reference, that is to say, the Companies Act, 2013 and Rules framed thereunder, or SEBI LODR, as amended, from time to time.

Interpretation Clauses

For the purposes of this Policy references to the following shall be construed as:

"Act"	: means the Companies Act, 2013 as may be amended from time to time;
"Applicable Law"	: includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction and/or mandatory standards as may be applicable to the Company from time to time;
"Board"	: means the Board of Directors of the Company;
"Company"	: refers to the Rupa and Company Limited;
"Directors"	: refers to the Chairperson, Managing Director and all whole-time Directors;
"Executives"	: refers to the Directors, Key Managerial Personnel and Senior management personnel;
"Key Managerial personnel" or "KMP"	: Refer to the Managing Director, Chief Executive Officer, Chief Financial Officer and Company Secretary and such other officer as may be prescribed under applicable law.
"Listing Regulations"	: means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time;
"Nomination and Remuneration Committee" or "NRC" or "Committee"	: means the committee constituted by the Board of Directors as per the provisions of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, 2015;
"Non- executive Director"	: means the Non-executive Director including Independent Director appointed by the Company;
"Policy" or "this Policy"	means the contents herein including any amendments made by the Board of the Company;
"Senior management"	: Means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors.

Annexure to the Board's Report

Scope

- a) This Policy applies to all the "Executives" of the Company.
- b) In addition, this Policy also extends to the remuneration of Non-Executive Directors, including principles of selection of the Independent Directors of the Company.
- c) The Board of Directors has initially adopted the Remuneration Policy with effect from May 21, 2015 which has been amended with effect from February 8, 2019, on the recommendation of the Committee. This Policy shall be valid for all employment agreements entered into after the approval of the Policy for appointment of the Executives and for changes made to existing employment agreements thereafter.
- d) In order to comply with local regulations, some entities and units within the Group may have remuneration policies and guidelines which shall apply in addition to the Group's remuneration policy.

The Board of Directors of the Company may deviate from this Policy if there are explicit reasons to do so in an individual case. Deviations on elements of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be disclosed in the Annual Report or, in case of an appointment, in good time prior to the appointment of the individual.

Purpose

This Policy reflects the Company's objectives for good corporate governance as well as sustained and long-term value creation for stakeholders. This Policy will also help the Company to attain Board diversity and create a basis for succession planning. In addition, it is intended to ensure that—

- a) the Company is able to attract, develop and retain high-performing and motivated Executives in a competitive international market;
- b) the Executives are offered a competitive and market aligned remuneration package, with fixed salaries being a significant remuneration component, as permissible under the Applicable Law;
- c) remuneration of the Executives are aligned with the Company's business strategies, values, key priorities and goals.

Guiding Principles for Remuneration and Other Terms of Employment

The guiding principle is that the remuneration and the other terms of employment for the Executives shall be competitive in order to ensure that the Company may attract and retain competent Executives. In determining the Policy, the Committee ensures that a competitive remuneration package for all Executives is maintained and is also benchmarked with other companies in the same markets.

Responsibilities and Powers of the Committee

The Committee, in addition to the functions and powers as endued by its terms of reference, would be also responsible for –

- a) preparing, and recommending for, the Board's decisions on issues concerning principles for remunerations (including pension and severance pay) and other terms of employment of Executives and Non-executive Directors;
- b) formulating criteria of qualifications and positive attributes to assist the Company in identifying the eligible individuals for the office of Executives;
- c) monitoring and evaluating programs for variable remuneration, both ongoing and those that have ended during the year, for Executives and Non-executive Directors;
- d) monitoring and evaluating the application of this Policy;
- e) monitoring and evaluating current remuneration structures and levels in the Company.

Annexure to the Board's Report

Board Diversity Criterion

In the process of attaining optimal Board diversity, the following criteria need to be assessed:

(i) Optimum Composition

- a) The Board shall have an optimum combination of executive and non-executive Directors and not less than fifty percent of the Board of Directors comprising nonexecutive Directors.
- b) Atleast half of the Board should comprise of independent directors (where the Chairman of the Board is executive) or atleast one-third of the Board consisting of independent Directors (where the Chairman of the Board is non-executive).
- c) In any case, the Company should strive to ensure that the number of independent directors do not fall below 3 (Three) so as to enable the Board to function smoothly and effectively.
- d) The Company shall have at least [one woman director on the Board to ensure that there is no gender inequality on the Board.

(ii) Functional Diversity

- a) Appointment of Directors to the Board of the Company should be based on the specific needs and business of the Company. Appointments should be done based on the qualification, knowledge, experience and skill of the proposed appointee which is relevant to the business of the Company.
- b) Knowledge of and experience in domain areas such as finance, legal, risk, management etc. should be duly considered while making appointments to the Board level.
- c) While appointing independent directors, care should be taken as to the independence of the proposed appointee.
- d) Directorships in other companies may also be taken into account while determining the candidature of a person.
- e) Whole-time Directors of the Company may be considered to head functional area/ business division of the Company based on his/ her expertise of the function/ division.

(iii) Stakeholder Diversity

- a. The Company may also have Directors on its Board representing the interest of any financial institution or any other person in accordance with the provisions of its Articles of Association and/or any agreement between the Company and the nominating agency.

Principles for Selection of Independent Directors

The nomination of the Independent Directors of the Company shall be in accordance with the principles as stated hereunder:

- (a) is a person of integrity and possesses relevant expertise and experience;
- (b) is or was not a promoter of the Company or its holding, subsidiary or associate company or member of the promoter group of the Company and not related to promoters or directors of the Company, its holding, subsidiary or associate company;
- (c) has or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed, with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

Annexure to the Board's Report

(d) none of whose relatives—

- (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

- (ii) is indebted to the Company, its holding, subsidiary or associate company or their promoters, or directors, for an amount of fifty lakhs rupees or more, at any time or such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
- (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for an amount of fifty lakhs rupees or more, at any time or such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or
- (iv) has or had any other pecuniary transaction or relationship with the Company, or its subsidiary, or its holding or associate company or their promoters, or directors amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii) during the two immediately preceding financial years or during the current financial year;

(e) neither himself nor any of his relatives—

- (i) holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
- (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of
 - (a) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or
 - (b) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
- (iii) holds together with his relatives two percent or more of the total voting power of the Company; or
- (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five percent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the Company;
- (v) is a material supplier, service provider or customer or a lessor or lessee of the Company;

(f) who is not less than 21 years of age

(g) possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

(h) is not a non-independent director of another company on the board of which any non-independent director of the Company is an independent director.

Annexure to the Board's Report

Overall Criteria for Selection of Executives

The assessment for Functional head will be done on the basis of below parameters by the concerned interview panel of the Company -

- a) Competencies:
 - Necessary skills (Leadership skill, communication skills, Managerial skills, etc.)
 - Experiences & education to successfully complete the tasks.
 - Positive background reference check.
- b) Capabilities:
 - Suitable or fit for the task or role.
 - Potential for growth and the ability and willingness to take on more responsibility.
 - Intelligent & fast learner, Good Leader, Organiser & Administrator , Good Analytical skills Creative & Innovative.
- c) Compatibility:
 - Can this person get along with colleagues, existing and potential clients and partners.
 - Strong Interpersonal Skills.
 - Flexible & Adaptable.
- d) Commitment:
 - Candidate's seriousness about working for the long term
 - Vision & Aim
- e) Character:
 - Ethical, honest, team player
- f) Culture:
 - Fits with the Company's culture. (Every business has a culture or a way that people behave and interact with each other. Culture is based on certain values, expectations, policies and procedures that influence the behavior of a leader and employees. Employees who don't reflect a company's culture tend to be disruptive and difficult)
 - Presentable & should be known for good social & corporate culture.

General Policies for Remuneration

The various remuneration components would be combined to ensure an appropriate and balanced remuneration package.

The five remuneration components are -

- fixed remuneration (including fixed supplements)
- performance-based remuneration (variable salary), if any
- pension schemes, where applicable
- other benefits in kind
- severance payment, where applicable

Annexure to the Board's Report

The fixed remuneration would be determined on the basis of the role and position of the individual, including professional experience, responsibility, job complexity and local market conditions.

The performance-based remuneration motivates and rewards high performers who significantly contribute to sustainable results, perform according to set expectations for the individual in question, and generates stakeholder value within the Group.

A. Any remuneration payable to the Executives of the Company shall abide by the following norms-

- i. The base salary shall be competitive and based on the individual Executive's key responsibilities and performance;
- ii. Base salaries would be based on a function-related salary system and be in line with the market developments shown by the benchmark research and additional market studies. When first appointed, an Executive's base salary will usually be below the maximum function-related salary. Normally (and subject to the decision of the Committee), the base salary would reach the maximum function-related salary level over a maximum 3-year period from appointment. The annual review date for the base salary would be April 1;

Adjustment of individual salaries by the Committee is influenced by the (annual) adjustment, if any, of the function related salary levels and the progress to the (maximum) function-related salary level if this level has not yet been reached;
- iii. The Executives may receive variable pay in addition to fixed salaries;
- iv. The performance-based pay to the Executives, including revisions, if any, would be decided by the Head of Human Resources of the Company in consultation with the Managing Director of the Company, as and when necessary, and subject to Applicable law;
- v. The performance-based pay would be granted to reflect the Company's financial results, the performance of the business unit where the Executive is employed and also, the individual's performance. The performance will be related to the fulfilment of various improvement targets or the attainment of certain financial objectives. Such targets will be set by the Board of Directors and may relate to inter alia operating income, operating margin or cash flow. Further, both financial and non-financial factors shall be taken into consideration when determining the individual's bonus. A discretionary assessment would always be ensured that other factors – including factors which are not directly measurable – have been considered;
- vi. The Board may, under specific circumstances, decide to reclaim the variable salary already paid or to cancel or limit or revise such variable salary to be paid to the Executives;
- vii. The Executives will be entitled to customary non-monetary benefits such as company cars, phone and such other fixed entitled benefits;
- viii. Pension contributions shall be made in accordance with applicable laws and employment agreements;
- ix. The Committee has decided to adopt a share-based incentive program for the Executives;
- x. The Executives resident outside India or resident in India but having a material connection to or having been resident in a country other than India, may be offered pension benefits that are competitive in the country where the Executives are or have been resident or to which the Executives have a material connection, preferably defined-contribution plans;
- xi. A Director may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, as permissible under Applicable law;
- xii. If any Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law, such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it;

Annexure to the Board's Report

- xiii. Subject to the provisions of the applicable law, a Director who is in receipt of any commission from the Company and who is a managing or whole-time director of the Company shall not be disqualified from receiving any remuneration or commission from any holding or subsidiary company of the Company, subject to its disclosure by the Company in the Board's report;
- xiv. The Annual report would specify the Executive remuneration.

B. Any fee/ remuneration payable to the Non-Executive directors of the Company shall abide by the following norms –

- i. If any such director draws or receives, directly or indirectly, by way of fee/ remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it;
- ii. Such directors may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, as permissible under Applicable law;
- iii. An independent director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or Committee thereof and profit related commission, as may be permissible by the Applicable law.
- iv. The Annual Report would specify the remuneration paid to the Non-Executive directors as required under Applicable Law.

Policy Review

This Policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to the Applicable Law or as may be otherwise prescribed by the Committee/ Board from time to time.

Annexure to the Board's Report

Annexure – V

Annual Report on CSR Activities

For the Financial Year 2020-21

(Pursuant to Annexure II of the Companies (Corporate Social Responsibility Policy) Rules, 2014)

- Brief outline on CSR Policy of the Company:** Rupa & Company Limited (the "Company") operates with a strong belief that giving back to the society and contributing towards its sustainable development is every organization's responsibility. The Company and its people are committed to society, ecology and environment. The Company also realizes that caring for the society, country and the planet is not philanthropy or generosity– *it is the very way of doing sustainable business.*

CSR Committee's Vision is "improving lives in pursuit of collective development and environmental sustainability". This vision encompasses all CSR activities of the Company. The CSR Committee's Mission is primarily to pursue initiatives directed towards enhancing welfare measures of the society based on long term social and environmental consequences of the CSR activities. Within the above mission, the CSR Committee chooses priority projects from time to time. The objective is not only to guide the Company and its people to indulge in social activities but also to integrate the business processes with social processes. The Company believes that the CSR Policy of the Company is the Company's faith in socially inclusive and sustainable business as the way of doing business.

During the Financial Year 2020-21, the Company has contributed on making available safe drinking water at public places, promoting healthcare including preventive healthcare, education, animal welfare, eradicating hunger, poverty and malnutrition, PM Cares Fund, etc.

During the year 2020-21, the Company has contributed for providing food to the underprivileged section of the society during the Covid-19 pandemic and lockdown. The Company has also undertaken several steps during the pandemic towards healthcare, viz. vaccination to the community, providing oxygen concentrators, hospital beds, etc. The Company has also provided food packets and essentials to the needy community affected by the cyclone Amphan.

- Composition of CSR Committee**

Sl. No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Prahlad Rai Agarwala	Chairman/ Whole-time Director	2	2
2	Mr. Kunj Bihari Agarwal	Member/ Managing Director	2	2
3	Mr. Dipak Kumar Banerjee	Member/ Independent Director	2	2

- Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company**

Web-link where Composition of CSR committee and its Terms of Reference are disclosed:

<http://rupa.co.in/livesite/wp-content/uploads/2019/10/Corporate-Social-Responsibility-Committee.pdf>

Web-link where CSR Policy and CSR Projects are disclosed: <http://rupa.co.in/csr/>

Annexure to the Board's Report

4. **Details of Impact assessment of CSR projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:** Not applicable, as the Company does not have average CSR obligation of ₹ 10 crore or more in pursuance of Section 135(5) of the Companies Act, 2013 ("the Act") in the three immediately preceding financial years.

5. **Details of the amount available for set off in pursuance of Sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year:**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹)	Amount required to be set-off for the financial year, if any (₹)
	–	Nil	Nil

6. **Average net profit of the Company as per Section 135(5) of the Act:** ₹ 13,830.04 Lacs

7.	(a) Two percent of average net profit of the Company as per Section 135(5) of the Act	:	₹ 276.60 Lakhs
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	:	Nil
	(c) Amount required to be set off for the financial year, if any	:	Nil
	(d) Total CSR obligation for the financial year (7a+7b-7c)	:	₹ 276.60 Lakhs

8. (a) **CSR amount spent or unspent for the financial year**

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
319.30	Nil	Not applicable	Not applicable	Nil	Not applicable

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project State District	Project duration	Amount allocated for the project (₹)	Amount spent in the current financial Year (₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency Name CSR Registration number
	N.A.	N.A.	N.A.	N.A.	N.A.	Nil	Nil	Nil	N.A.	N.A.

*N.A. – Not applicable

Annexure to the Board's Report

(c) Details of CSR amount spent against other than ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Lacs)	Mode of imple- ment- ation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registra- tion number
1	Installation of Water Coolers and purifiers at public places	Making available safe drinking water	Yes	West Bengal	24.10	Yes	Rupa & Company Limited	Not applicable for the Financial Year 2020-21	
			Yes	- Kolkata and surroundings	3.77	No	Rupa Foundation		
2	Maintenance of existing Water Coolers and purifiers facilities		Yes	West Bengal	8.82	Yes	Rupa & Company Limited		
			Yes	- Kolkata and surroundings	17.59	No	Rupa Foundation		
3	Eradicating hunger, poverty and malnutrition	Eradicating hunger, poverty and malnutrition	Yes	West Bengal	18.13	Yes	Rupa & Company Limited		
			Yes	- Kolkata and surroundings	6.34	No	Nagrik Swasthya Sangh		
						1.50	No	Parasdharm Kolkata	
			No	Gujarat - Surat	0.50	No	Surat Round Table Foundation		
4	Promoting health care including preventive health care	Promoting health care including preventive health care	Yes	West Bengal	12.75	No	S.V.S. Marwari Hospital		
				- Kolkata and surroundings	9.05	No	Nagrik Swasthya Sangh		
					4.00	No	Rupa Foundation		
					1.52	No	Indian Association of Blood Cancer & Allied Disease		
5	Promoting education	Promoting education	Yes	West Bengal -	25.00	No	Pariwar Milan		
			Yes	Kolkata	12.50	No	Udayan Care		
			Yes		6.60	No	Friends Of Tribals Society		
			Yes		7.20	No	Arya Seva Girls Education Society		
			Yes		1.00	No	All India Marwari Mahila Samity		
			Yes	Delhi and other area	1.00	No	Sufi Kathak Foundation		
6	Animal Welfare	Animal Welfare	Yes	West Bengal	21.30	No	Calcutta Pinjrapole Society		
			Yes	- Kolkata and	1.00	No	People for Animal		
			Yes	surroundings	5.00	No	Akhil Bharat Goseva Sansthan		
			Yes		0.63	No	Rajasthan Gokaindia		
			No	Rajasthan - Jodhpur	5.00	No	Keshav Priya Gosala Seva Samiti		
7	Contribution to PM Cares Fund	Contribution to PM Cares Fund	N.A.	Not applicable	100.00	No	PM Cares Fund		
8	For providing relief and rehabilitation for disaster management	Disaster management, including relief, rehabilitation and reconstruction activities	N.A.	Not applicable	25.00	No	West Bengal State Emergency Relief Fund		
Total					319.30				

Annexure to the Board's Report

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 319.30 Lacs

(g) Excess amount for set off, if any

Sl No.	Particular	Amount (₹ in Lakhs)
1	Two percent of average net profit of the Company as per Section 135(5) of the Act	276.60
2	Total amount spent for the Financial Year	319.30
3	Excess amount spent for the financial year [(ii)-(i)]	42.70
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	42.70

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (₹)	Amount spent in the reporting Financial Year (₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years. (₹)
				Name of the Fund	Amount (₹)	Date of transfer	
1	2019-20	Nil	Nil	Not applicable	Nil	Not applicable	Nil
2	2018-19	Nil	Nil	Not applicable	Nil	Not applicable	Nil
3	2017-18	Nil	Nil	Not applicable	Nil	Not applicable	Nil

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

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (₹)	(7) Amount spent on the project in the reporting Financial Year (₹)	(8) Cumulative amount spent at the end of reporting Financial Year (₹)	(9) Status of the project- Completed/ Ongoing
1	Not applicable	Not applicable	Not applicable	Not applicable	Nil	Nil	Nil	Not applicable

Annexure to the Board's Report

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a)	Date of creation or acquisition of the capital asset(s)	:	Nil
(b)	Amount of CSR spent for creation or acquisition of capital asset	:	Nil
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	:	Not applicable
(d)	Details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	:	Not applicable

11. Reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) of the Act: Not applicable.

For Rupa & Company Limited

Date: May 31, 2021
Place: Kolkata

Sd/-
Kunj Bihari Agarwal
(Managing Director)
DIN: 00224857

Sd/-
Prahlad Rai Agarwala
(Chairman of CSR Committee)
DIN: 00847452

Annexure to the Board's Report

Annexure – VI

MR-3

Secretarial Audit Report

For the Year from April 1, 2020 to March 31, 2021

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

To,
The Members,
Rupa & Company Limited
1, Ho Chi Minh Sarani,
Metro Tower, 8th Floor
Kolkata-700071

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the period covered by our audit, that is to say, from April 1, 2020 to March 31, 2021 (hereinafter referred to as "Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanisms 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 financial year ended on March 31, 2021 and as shown to us during our audit, according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder;
2. Secretarial Standard -1 & Secretarial Standard – 2 issued by ICSI.
3. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
4. The Depositories Act, 2018 and the Regulations and Bye-laws framed thereunder;
5. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings, if any;
6. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") viz:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – **Not applicable during the Audit Period;**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable during the Audit Period;**

Corporate Overview

Governance Report

Financial Statements

Rupa & Company Limited / Annual Report 2020-21

Annexure to the Board's Report

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 – **Not applicable during the Audit Period;**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not applicable during the Audit Period;** and
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
7. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
- a. Environment Protection Act, 1986;
 - b. The Air (Prevention & Control of Pollution) Act, 1981;
 - c. The Water (Prevention & Control of Pollution) Act, 1974
 - d. The Legal Metrology Act, 2009;
 - e. Intellectual Property Acts;
 - f. Consumer Protection Act, 1986

The Company has further confirmed that during the Audit Period they have not contravened any of the provisions of the above specific laws and had obtained all the requisites registrations, permits and licenses except in some units where few licenses are under process of renewal.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent directors. No changes in the composition of the Board of Directors took place during the Audit Period.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, Regulations and Guidelines.
4. We have found following material events during the year under review which has major bearing on the Company's affairs in pursuance of any of the laws, Rules, Regulations or Guidelines covered by this audit:

a) Impact of Covid-19 pandemic and consequent nationwide lockdown on the business operations and performance of the Company

Due to Covid-19 pandemic and subsequent lockdown measures taken by the Central and State Governments, the impact on the business was obvious, as the Company's factories were closed during the nationwide lockdown since the business of the Company do not fall in the essential commodities category.

However, since the Company has re-commenced its operations in May, 2020 and considering the line of business of the Company being into manufacturing and distribution of hosiery and related goods, the general demand for the products of the Company has brought to normalcy.

Annexure to the Board's Report

b) Composite Scheme of Arrangement under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 between Rupa & Company Limited and Oban Fashions Private Limited, WOS and their respective Shareholders and Creditors for demerger of Demerged Undertaking of Oban Fashions Private Limited into Rupa & Company Limited

On 09.12.2020, the Board of Directors, after discussing the rationale of the Scheme, has approved the draft Scheme of Arrangement ('Scheme') between Rupa & Company Limited (the 'Company') and Oban Fashions Private Limited ('Oban'), a Wholly owned subsidiary of the Company, to demerge the Premium Brand Undertaking of Oban into the Company, subject to necessary approvals from the concerned authorities, with effect from 01.04.2021 as the Appointed Date. The Scheme do not proposes any share allotment by the Company, as it is a demerger of WOS with the holding company.

On 26.03.2021, the shareholders and creditors of the Company have approved the Scheme in separate meetings of shareholders and creditors respectively, convened by the Hon'ble National Company Law Tribunal (NCLT). Necessary Petition for the approval of the Scheme has been filed with Hon'ble NCLT. The Company is taking necessary steps in this regard.

Procedure for monitoring and ensuring compliance with General Laws

We have been informed that a proper procedure has been laid down to monitor and ensure compliance with general laws. On perusal of the documents provided by the Company, we observed that the Company has a system of ensuring compliance with applicable laws. The Company Secretary of the Company also provides an internal compliance certificate which is placed in the Board Meetings.

Our Secretarial Audit Report for the financial year ended March 31, 2021 of even date is to be read along with the annexure to this letter.

Thanking you,

For **Nidhi Bagri & Company**
(Practising Company Secretaries)

Sd/-

(Nidhi Bagri)

Proprietor

ACS No. 24765

C.P.No. 9590

Date: May 21, 2021

Place: Kolkata

UDIN A024765C000353665

Annexure to the Board's Report

ANNEXURE TO SECRETARIAL AUDIT REPORT

May 21, 2021

To,
The Members,
Rupa & Company Limited
1, Ho Chi Minh Sarani,
Metro Tower, 8th Floor
Kolkata-700071

Our Secretarial Audit Report for the financial year ended March 31, 2021 of even date is to be read along with this letter.

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

Thanking you,

For **Nidhi Bagri & Company**
(Practising Company Secretaries)

Sd/-
(Nidhi Bagri)
ACS No. 24765
CP. No. 9590
UDIN A024765C000353665

Annexure to the Board's Report

Annexure – VII

AOC-2

(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)

Disclosure of particulars of Contracts/Arrangements entered into by the Company with Related Parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain Arms Length Transactions under third proviso thereto

1.	Details of Contracts or Arrangements or Transactions not at Arm’s Length Basis: None							
2.	Details of Material Contracts or Arrangement or Transactions at Arm’s Length Basis, are as hereunder:							
a	Name(s) of the related party and nature of relationship	: Mr. Suresh Agarwal, President in the Company and relative of Director	Mr. Manish Agarwal, President in the Company and relative of Director	Mr. Ravi Agarwal, President in the Company and relative of Director	Mr. Vikash Agarwal, President in the Company and relative of Director	Mr. Rajnish Agarwal, President in the Company and relative of Director	Mr. Siddhant Agarwal, Vice-President in the Company and relative of Director	Arrow-link Stitchers Private Limited and related party. Directors/ relative of director of the Company are shareholder(s) of the related party
b	Nature of contracts/ arrangement/ transactions	: The aforesaid related parties have been appointed as President/Vice-President in the Company, being office or place of profit within the meaning of Section 188(1)(f) of the Companies Act, 2013 read with Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014.						The related party is providing job work services to the Company
c	Duration of the contracts/ arrangements/ transactions	: Ongoing						
d	Salient terms of the contracts or arrangements or transactions including the value	: Value of transactions: Financial Year 2020-21– ₹ 67.20 lakhs	Value of transactions: Financial Year 2020-21– ₹ 100.80 lakhs, each.			Value of transactions: Financial Year 2020-21– ₹ 42 lakhs	Value of transactions: Financial Year 2020-21 ₹ 6,427.69 lakhs	
e	Date(s) of approval by the Board	: For Presidents- the terms of remuneration has been approved by the Board on 25/05/2019 as well as by the Members at the Annual General Meeting (AGM) held on 06/09/2019 and for Vice-President- the terms of remuneration has been approved by the Board on 26/06/2020 and by the Members at the AGM on 18/09/2020.						By the Board: 25/05/2019 At the AGM: 06/09/2019
f	Amount paid as advances	: Nil						

By order of the Board
For **Rupa & Company Limited**
Sd/-

Prahlad Rai Agarwala

Chairman

Din: 00847452

Place: Kolkata

Date: May 31, 2021

Management Discussion and Analysis

Industry Structure and Development

The World Bank raised its forecast of India's FY22 growth to 10.1%, substantially higher than the 5.4% it had projected in January, according to its South Asia Economic Focus Spring update report. However, reflecting the uncertainty on account of the pandemic, the World Bank chose to provide a range for its FY 22 prediction of 7.5-12.5% due to "significant uncertainty at this stage about both epidemiological and policy developments".

The improvements came on the back of the country's vaccination drive, which was likely to spur activity in contact-intensive sectors and the government's infrastructure push in the budget.

With regard to the range, the growth would depend on the progress of the vaccinations, whether new restrictions to mobility would be required, and

how quickly the world economy recovers. Acknowledging that the wide range was not normal, it also reflected the difficulty in measuring gross domestic product (GDP) due to the impact of the pandemic on the informal economy.

The International Monetary Fund had a more optimistic outlook, pegging India's growth at 11.5% in FY22. The World Bank also tempered its estimate of India's FY 21 GDP contraction to 8.5% from -9.6% earlier as the recovery accelerated in the July-December period with private consumption and investment showing a sharp rebound.¹

The Reserve Bank of India said in its annual report that the impact of the Covid-19 second wave on the Indian economy is not as bad as the first wave, but the surrounding uncertainties remain. The central bank noted that while the Indian economy has not moderated to the extent it did during the first wave, enveloping uncertainties can be a hindrance in the short term. It further stated that India's growth prospects primarily hinge upon how fast the economy can arrest the impact of the second wave of the pandemic. Although the economy was hit by the second wave of the coronavirus pandemic, it remained resilient on the back of a bountiful harvest in the RBI farming season as well as the momentum of activity in sectors such as road construction, information technology, housing and freight transportation.

The recovery of the economy from the Covid-19 will critically depend on the robust revival of private demand that may be led by the consumption in the short-run but will require acceleration of investment to sustain the recovery. The second wave of the pandemic has set off "a raft of revisions to growth projections" and the concurrence on growth rate was leaning towards its projections. The central bank, in the report, once again pegged a 10.5% growth for India's economy for the 2021-22 financial year. RBI further said that a collective global effort to fight the pandemic will surely bring better results than individual countries fighting on their own.²

Source:

¹ https://economictimes.indiatimes.com/news/economy/indicators/india-bounced-back-big-way-but-not-out-of-woods-real-gdp-growth-to-be-7-5-to-12-5-wb/articleshow/81772219.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

² <https://www.businesstoday.in/latest/economy-politics/story/covid-19-second-wave-impact-on-indian-economy-not-as-bad-as-first-wave-says-rbi-297117-2021-05-27>

Range of Uncertainty

World Bank ups India's FY22 GDP growth to 10.1% from 5.4%

Provides a range of 7.5-12.5% due to "significant uncertainty"



Country 2021-22 GDP projection (%)

India	10.1
Bangladesh	5.1
Pakistan	2
*Sri Lanka	3.4

*Sri Lanka-CY21

Flags financial sector stress.

2nd wave as key risks

Improvements on the back of vaccination drive; budget's infra push

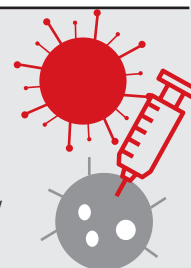


VACCINE BENEFITS

India could gain \$356 bn from vaccinating 70% population

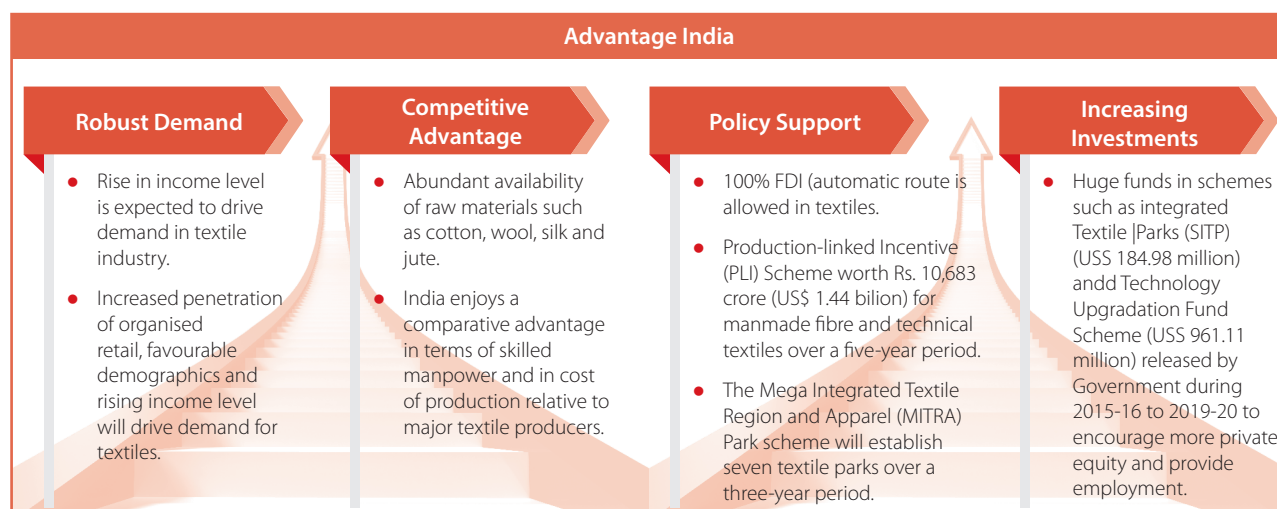
Ending panemic half to 1.5 years earlier could avoid output loss of 5.5-16.4% of GDP

India needs 80 mm monthly vaccinations to cover 70% by 2022-end



Management Discussion and Analysis

The Government of India introduced bold reforms across sectors to drive the Country's economy and push towards self-reliant India. The Government has stressed to become vocal for local products and make them global, and announced Self-reliant India or "Atmanirbhar Bharat" in five phases, consisting of five pillars, namely, Economy, Infrastructure, System, Vibrant Demography and Demand.



Textile Industry

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital-intensive sophisticated mills sector on the other end. The decentralised power looms/ hosiery and knitting sector forms the largest component in the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce wide variety of products suitable for different market segments, both within India and across the world.

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 3.68 billion from April 2000 to December 2020. The Government of India has come up with several export promotion policies for the textiles sector. It has also allowed 100% FDI in the sector under the automatic route. The future for the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players into the Indian market. High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market.³

Innerwear Industry⁴

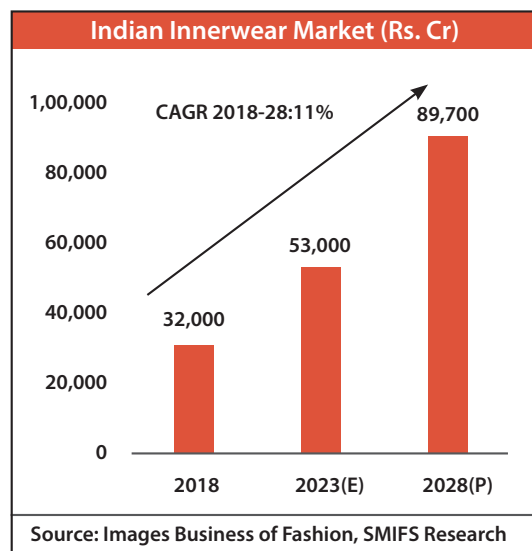
The Indian innerwear market was valued at ~Rs 320 billion in 2018 and is expected to grow at a CAGR of ~11% over the next decade to reach ~Rs 897 billion by 2028E. In the past, innerwear was depicted as a mere essential 'commodity' but in the last few years transformed itself into a fashion statement. Players now focused on the width of the product range; men's and women's innerwear began to be marketed through retail formats. Domestic demand of innerwear has changed with rising incomes, higher discretionary spending, rise in number of working women and growing fashion consciousness coupled with increased fashion consciousness among millennials. The innerwear segment is now expected to gain a new round of traction. Most major brands across the men's and women's segments are expanding their portfolio.

Source:

³<https://www.ibef.org/industry/textiles.aspx#:~:text=Textiles%20industry%20has%20around%204.5,growth%20over%20the%20previous%20year>

⁴https://www.smifs.com/files/reports/637533164117521492_Innerwear%20Industry%20-%20Sector%20Report%20-%20SMIFS.pdf

Management Discussion and Analysis



The innerwear market is evolving gradually and moving towards organised retail. Lately, the premium innerwear market in India has been experiencing the increasing entry of global brands, mostly through partnerships and tie-ups with home-grown brands. Organised players have invested significantly in building capability around: design & fit; sourcing; and channel presence, to ensure that their distinct positioning translates in to retail connect with consumers. This has fuelled demand shift towards organised from the unorganised segment. The distribution structure of the innerwear category is much more diversified and balanced, allowing the terms of trade in favour of the branded players. Brands are continuously focusing on product consistency and design over a period of time to avoid losing a satisfied consumer. Moreover, a steady stream of new products keeps distributors and retailers active and interested. Industry players constantly looking for a new revenue stream or product segmentation where they can generate higher realization than the regular innerwear. Fortunately, a new trend emerges in the industry where players are focusing on outerwear like track pants, shorts, T-shirts and most importantly athleisure wear, which will give them a higher margin on select products.

Men's innerwear segment

Men's innerwear market was valued at Rs 110 billion in 2018 and is expected to grow at a CAGR of 7% over the next decade to reach Rs 218 billion by 2028. Innerwear market is classified into five product categories: low, economy, mid-market, premium, and super-premium. The Rs 6.5 billion super premium category grew by ~26% and the Rs 18 billion premium segment by ~22% in FY20 whereas the Rs 47 billion medium category, retailing at an average Rs 250 a piece, grew at a much slower rate of ~17%. Most Indian brands are largely in the mid-to economy segment, catering to the masses. There are more than 1 lakh MBOs (multi-brand outlets) across India, which account for over ~60% of the total sales of undergarments, while the rest take place through modern trade formats like malls or online portals.

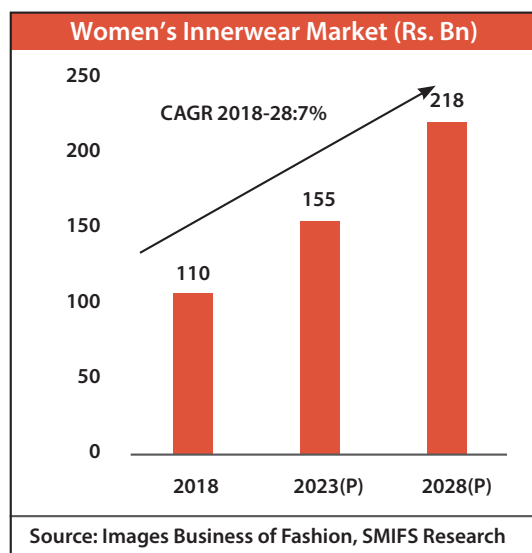
Product categories in men's innerwear include briefs, trunks, vests, boxer shorts among others. The market has historically been highly fragmented and unorganised. Even today it is dominated by numerous small-scale players that cater to ~60-65% of the total demand. However, the market segment is evolving and is gradually moving towards organised retail. Indian innerwear market has witnessed a changing trend in the past with more and more people opting for better quality branded products. Men's innerwear segment has a very high branded proportion accounting for ~61% of total market size. Looking ahead, growth in the innerwear market is expected to be driven by broad based consumer trends in the form of rising discretionary spends, growing number of mid-high-income household and increasing urbanization. Innerwear has progressed from being just a functional category to making a bold fashion statement. It is a welcome shift from a price sensitive category to a brand sensitive category. Indian consumer spends on innerwear products is significantly lower than other Asian peers. This suggests that there is significant room for growth, driven by rising per capita spend on such products.

Women's innerwear segment

Indian innerwear market is primarily dominated by women's innerwear, which accounts for ~66% of the total innerwear market and accounts for ~15% of the women's apparel market. Branded innerwear contributes ~38- 42% of the women's innerwear market and this share is expected to grow to ~45-48% by 2023. Product categories in women's innerwear include brassieres, camisoles, panties, tees, nighties, shorts, etc. Brassieres and panties contribute 85% of the total women's innerwear segment.

Women's innerwear segment is poised to grow at an impressive growth rate of ~12.5% over the next decade to reach

Management Discussion and Analysis



~Rs 680 billion by 2028 from the market size of ~Rs 210 billion in 2018. Branded innerwear in women's segment contributes ~38-42% of the total women's innerwear market and is expected to increase to ~45-48% of the total market by 2023. During FY15-20, the women's innerwear segment grew at 14%, outperforming the overall innerwear segment and the men's innerwear segment growth. While all segments contributed to this growth, leaders were medium, premium and super premium categories. While this can be broadly attributed to the advent of multinational brands in the market place and the growth of organised retail, a host of other variables like growing number of working women, changing fashion trends, increased awareness about better fits, quality, brands, colours, styling, increasing per capita disposable income, rising level of information and media exposure have also given the industry a new dimension. The trend is not restricted to just metros but can be witnessed spreading in Tier-I, II and III cities. Price points vary based on the range and category of products.

Athleisure segment – A new emerging segment

Casualisation as a trend has been gaining traction in terms of Athleisure, Comfort Wear, T-shirts, Shorts and Sportswear. Customers are getting comfortable with the idea of wearing premium dressed up and easy-to-wear, casual wear which is well represented by Athleisure category. India's athleisure market is growing at 18-20% currently and current market size is estimated at Rs 540 billion. Of this, the men's wear segment accounted for 8-10% growth and the women's and children's segments 11-15%. This trend of athleisure, majorly driven by millennials, is expected to expand reach beyond urban India to Tier II and Tier III regions. While the scenario appears muted following the pandemic, the fundamental strength of the athleisure segment is expected to become pronounced when consumer sentiment revives. In the athleisure segment, style quotient is not critical but comfort is, similar to innerwear purchase and industry players suggest that hosiery is a big channel for sale of utility T-Shirts.

Kids wear segment

The kids wear market in India is estimated at Rs 819 billion and expected to grow at a CAGR of ~8.5% in the next 5 years. With a booming kids population in India and owing to distinct factors like the growing trend of nuclear family system, increased spending on children, greater brand awareness among kids, and better focus on this segment by organized players, the kids wear industry is poised to grow in the coming years. Albeit largely unorganised today, this segment is closely following suit the men's and women's segment to become the next organised sector play for innerwear industry.

Factors driving growth

The innerwear market is being driven by few key factors or trends. All these factors spell good news for the current manufacturers of inner wear in the country and also for the companies wishful of entering the segment. These factors contribute to the rising demand in this segment in India and the world and tremendous scope available for businesses.

a) Rapid urbanization, rurbanization & changing demographics:

India is going through the process of rapid growth in urban population as well as increase in the number of towns and cities on its path of transforming from a developing nation to a developed one. While on one hand masses are shifting base to cities and metros for better opportunities, on the other hand rural population is also becoming infused with urban patterns and culture which is referred to as Rurbanization. In addition, demographics of the country is changing with increase in working age population, male-female ratio, increasing female literacy rates, changing birth and death rates, etc.

Management Discussion and Analysis

b) Growing consumer profiles:

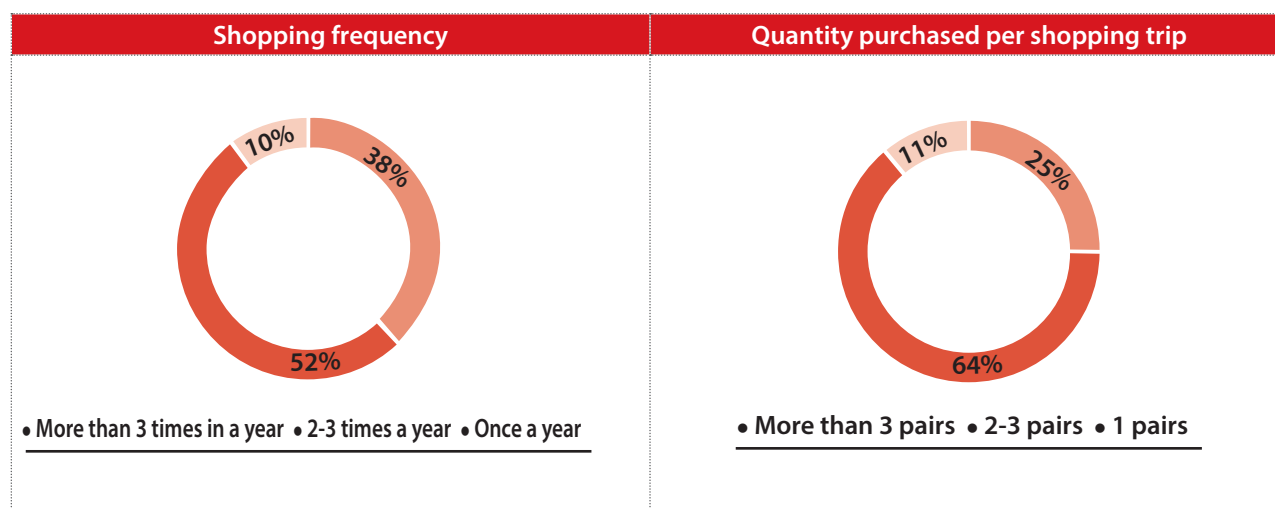
The sudden mushrooming growth rate of the innerwear segment stems from the ever-changing consumer profiles. New age consumers are well-educated, fashion and quality conscious, well-dressed with better spending capacity owing to higher disposable incomes combined with a sense of clarity of their needs, wants and desires. Consumers segment is mainly from the aspirational working class and upper class with currency they are willing to expend. Being associated with distinguished brand names and need for sense of belonging to the upper segments of the society is what shapes the consumers' needs for such items. Further, the customer also has been aware of the functional properties of usage of good quality innerwear for support and protection of the body.

c) Rising working women population:

The number of working women has escalated tremendously in the last few years due to growing awareness as a society which is taking steps in higher education and working opportunities for women. The taste and style of working women are ever evolving coupled with freedom to spend higher.

d) **Growth of organized and online retail:** Retailing is one of the important sectors of the Indian economy contributing to 20% of the GDP of the country. Indian retail market is among the top five retail markets in the world and is expected to touch US\$ 2 trillion by 2025. Emerging organized retail is beneficial for manufacturers looking to invest in this sector. The online retail is on a high growth trajectory on account of the digital revolution going on in the country. India is expected to become the fastest growing e-commerce market with robust investment as its backbone.

e) **Emerging categories:** Indian consumers are becoming increasingly aware of the kind of ensemble they want for any occasion or purpose. This has led to increase in demand in special categories within intimate wear such as shapewear, sleepwear, swimwear, athleisure etc. Among these, the sleepwear category has already seen growth in both branded and unbranded segments. However, other categories such as shapewear and swimwear still present a lot of possibilities.⁵



Covid-19's Impact

The Covid-19 pandemic has had a major impact on overall business and consumer sentiment in the country. The consumer sentiment is cautious at present and it is expected that the consumers are expected to tone down their discretionary spends as compared to essentials, which is likely to impact the apparel category in the short term and thus a skewed demand towards impulse & casual wear. While the consumers are eager to get back to the retail environment, in the new scenario we expect that they will seek more value in everything they purchase. Given that the customers are expected to

Source:

⁵<https://wazir.in/indian-intimate-wear-industry>

Management Discussion and Analysis

prefer online channel in the short term, this event could also fasten the adoption of omnichannel strategy among many brick & mortar retailers. On the other end, the retailers are also gearing up to grab the post lockdown opportunity when the market opens up to a new normal by working towards making the store environment safe & hygiene for customers.

We believe given the initiatives taken by retailer and stakeholders in the supply chain as well as customer's willingness to come return to the retail environment, we believe that this situation is a blip and the expect the normalcy to return back to over time. In the post Covid era, where the customers are expected to seek more convenience and experience, the rate of adoption of omnichannel strategy among the lifestyle fashion players is expected to increase. Consumers strongly attribute trust, experience and service with organized formats, especially exclusive brand formats and large format. These formats have not ceded preference even in post Covid times as consumers are eager to re-engage with these formats.⁶

Opportunities

- Vocal for Local: Initiatives taken by the Government to promote local products and make it global will boost huge opportunities to local manufacturers. Additionally, consumers are more expected to look for locally manufactured products.
- Increasing Women Workforce as well as increased Women participation in Fitness and Sports and other physical activities: With changing societal mind set and increasing gender equality at office, women entering workforce has been on the rise in past few years. This coupled with aspirations to spend on self-development, is giving rise to the consumption of new categories like personal care, readymade products, etc.
- Growth of Markets including malls: With online players now delivering to the smallest of towns, consumers in these cities are aware of many international and indigenous brands available in the market. This spells a big opportunity for the modern retailers who are looking to enter into Tier III & IV markets. Many consumers living in Tier III & IV towns have now experienced the brands, through online purchases. Mall development is expected to come from Tier III cities, which would make the brands more visible and lead to opportunities.
- Abundant availability of raw material: India is the largest producer of cotton and second largest producer of polyester in the world. Large scale availability of important textile fibers has helped the development of downstream manufacturing value chain-yarns, fabrics and garments.
- Manpower availability, quality and cost: India's current population is approximately 1.30 billion and around 65% of the total population falls under the working age bracket at present with many youth joining the workforce every year. Under the Make in India campaign, the Government has also put a lot of focus on increasing the skill level of the work force to not only ensure the quantity but also the quality of the workforce.
- Large existing manufacturing set-up: India also has well established production facilities in the textile value chain from fiber to finished products (apparel, home textiles and technical textiles). India has one of the best and the largest state-of-the-art spinning capacities in the world.

Threats

- Low level of awareness regarding what one should wear that will last for a good life span. Retailers do not educate their customers either as they are either not aware themselves or consider it delicate to talk to customers regarding a personal product such as underwear.
- Changing consumer behavior.
- Emerging multi-national brands and their entry to the Indian market.
- High cost of brand building.
- Infrastructural bottlenecks and efficiency.
- Imports from other countries.
- Investment in New Technology

Source:

⁶http://www.abfrl.com/docs/investors/rights-issue/Indian_Fashion_Market_by_Wazir_Advisors.pdf

Management Discussion and Analysis

Risks and Concerns

- Pandemic Covid-19 situation: We are witnessing a second wave of Covid-19 infection and it has again resulted in disruption of business activity. Although vaccine has been rolled out in the country, but any further deterioration in situation may adversely affect the business.
- Volatility in the raw material prices: Cotton yarn and fabric accounts for approximately, 70% of the total raw material cost. Currently, the Company is able to pass on any rise in the prices of raw material to the consumer. Any inability to pass on the impact of rise in raw material prices may negatively impact the estimated margin of the Company, resulting in lower earnings.
- Entry of Foreign Players: With markets being global and digital, it is becoming easier for foreign brands to penetrate into Indian domestic markets, via direct and indirect strategic tie-ups, largely, in the premium and super-premium segments, thus, creating stiff competition for the existing players in the organized sector.
- Changing customer's behavior and spending capacity: Rapid change in the customers' preferences, from one brand to another, makes it very difficult for a Company to establish a permanent connect and in gaining brand loyalty, consequently, leading to loss of business to its competitors. Furthermore, where, the improving Indian demographics have given credence to the Indian consumption story, any downward deviation in economic growth, will impact the consumers' discretionary spends, thereby, negatively impacting the earning potential of the Company.

Internal Control System and their Adequacy

The Company has adequate system of Internal Controls System commensurate with its nature of business and size of operations to safeguard and protect from loss, unauthorized use or disposition of Company's resources. There are proper procedures for authorization, recording and reporting of transactions to the management. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of Financial Statements in conformity with applicable accounting standards and principles or any other criteria applicable to such statements, and to maintain accountability for aspects. The Company's internal audit process covers all significant operational areas and reviews the in-system checks regularly. The Internal Audit Report, submitted by the Internal Auditors, is placed before the Audit Committee of the Company's Board of Directors, on quarterly basis, for reviewing. Suggestions for improvements are considered and the Audit Committee asserts stringent corrective actions and follows up on the implementations thereof. The Audit Committee periodically meets the Statutory and Internal Auditors of the Company, to ascertain their views on the adequacy of Internal Control System and keeps the Board of Directors informed of its observations, from time to time.

Financial Performance

(₹ in Lakhs)

Particulars	2020-21	2019-20	Change	%
Revenue from Operations	1,26,121.68	94,140.11	31,981.57	33.97
Other Income	599.84	790.95	-191.11	-24.16
Profit before Finance Charges, Tax, Depreciation/ Amortization (PBITDA)	26,378.13	13,251.98	13,126.15	99.05
Less: Finance Charges	944.07	1,481.22	-537.15	-36.26
Profit before Tax, Depreciation/ Amortization (PBTDA)	25,434.06	11,770.76	13,663.30	116.08
Less: Depreciation/ Amortization	1,132.36	1,567.92	-435.56	-27.78
Profit before Taxation (PBT)	24,301.70	10,202.84	14,098.86	138.19
Less: Tax Expense	6,211.77	2,196.31	4,015.46	182.83
Profit after Taxation (PAT)	18,089.93	8,006.53	10,083.40	125.94

Management Discussion and Analysis

Key Financial Ratios

As required pursuant to Schedule V(B) to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Key Financial Ratios for the financial year 2020-21 vis-à-vis 2019-20 along with changes therein are reproduced herein below:

Sl No	Ratio	Financial Year 2020-21	Financial Year 2019-20
i.	Debtors Turnover	3.80	4.10
ii.	Inventory Turnover	3.35	2.12
iii.	Interest Coverage Ratio	26.74	7.89
iv.	Current Ratio	2.61	2.17
v.	Debt Equity Ratio	0.13	0.22
vi.	Operating Profit Margin/ EBIDTA (%)	20.40	13.20
vii.	Net Profit Margin (%)	14.30	8.50
viii.	Return on Net Worth (%)	25.60	13.30

Notes:

During the year under review, the Company witnessed record growth across key financial parameters on the back of a strong volume growth, operational efficiencies, better product mix and cost rationalisation programmes.

In the preparation of Financial Statements, the treatment as prescribed in the applicable IND Accounting Standards are followed.

Human Resources and Industrial Relations

The Human Resources (HR) function of an organization is vital to creation and development of good quality and dedicated human capital, essential to the Company's business and operations. Rupa always focusses in grooming and training its workforce via imparting specialized and technical training, at regular intervals, which helps improve their knowledge, skill and competency, to execute their assignments, effectively and efficiently. Employee incentivisation, professional growth, participation and recognition are always part of the Company's HR management, with focus on upgrading their quality of life and job satisfaction. This HR policy empowers the Company to attract, integrate and retain the best talent, requisite to its line of business and necessary for powering its growth. As on March 31, 2021, the number of permanent employees, on the rolls of Company, was 1054. Further, the industrial relations have remained cordial, during the period under review.

Cautionary Statement

Statements in this Management Discussion and Analysis Report, describing the objectives, projections, estimates and expectations are 'forward-looking statements', within the meaning of applicable laws and regulations and are subject to volatile market conditions. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations, includes economic conditions affecting demand/ supply and price conditions in the markets in which the Company operates, changes in Government regulations, tax laws, statutes and other incidental factors.



Corporate Governance Report



Company's Philosophy on Code of Governance

Corporate Governance is a system by which corporate entities are directed and controlled, encompassing the entire mechanics of the functioning of a Company. Good Corporate Governance practices are a *sine qua non* for sustainable business that aims at generating long term value to all its shareholders and other stakeholders.

The Company believes that strong governance standards, focusing on fairness, transparency, accountability and responsibility are vital not only for the healthy and vibrant corporate sector growth, but also for inclusive growth of the economy. The Company has always focused on good Corporate Governance, which is a key driver of sustainable corporate growth and long term value creation for its stakeholders. The Company has measures to periodically review and revise the Corporate Governance practices by subjecting business processes to audits and checks that measures up to the required standards. The Company believes that Corporate Governance is not just limited to creating checks and balances; it is more about creating organizational excellence leading to increasing employee and customer satisfaction and shareholder value. The Company always endeavors to leverage its human and capital resources to translate opportunities into reality, create awareness of corporate vision and spark dynamism and entrepreneurship at all levels.

Listing Regulations

The Company has complied with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, as applicable to the Company.

Board of Directors

The Board of Directors ('Board') of the Company provides leadership, strategic guidance and independent view to the Company's management while discharging its responsibilities. The Board consists of distinguished persons having requisite knowledge and expertise in business & industry, corporate governance, corporate finance, taxation, legal matters, strategic & risk management, marketing, etc.

Composition of the Board

The Board of the Company has an optimum combination of Executive Directors and Non-Executive Directors, including Independent Directors and Woman Director, meeting with the requirements of Regulation 17(1) of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 ('Act') read with the allied Rules. On March 31, 2021, the Board consists of 12 (twelve) Directors, 6 (six) of whom were

Corporate Governance Report

Independent Non-Executive Directors including one Women Director, constituting 50% of the Board's strength and other 6 (six) were Executive Directors, 5 (five) of them belonging to Promoter Group of the Company and 1 (one) Executive Director Non-Promoter. The Chairman is an Executive Director.

None of the Directors on the Board:

- holds directorships in more than ten public companies;
- serves as Director or as Independent Directors (ID) in more than seven listed entities; and
- who are the Executive Directors serves as IDs in more than three listed entities.

Further, pursuant to Regulation 17(1A) of the SEBI Listing Regulations, the requisite approval by way of special resolution has been taken in relation to the non-executive director who has attained the age of 75 years. The Company does not have any alternate Director on its Board for any Independent Director in accordance with Regulation 25(1) of the SEBI Listing Regulations.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management of the Company. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors.

The Composition of the Board of Directors as on March 31, 2021, the number of other Directorships and Board Committee Memberships/ Chairmanships held by each Directors and their attendance at the Board Meetings and the last Annual General Meeting (AGM) of the Company are as follows:

Sl. No.	Name of the Director	Category of Directors	Number of Directorship in other Companies [#]	Number of Membership/ Chairmanship in other Company's Committee(s)*	Number of Board Meetings attended during the year	Attendance at the last AGM held on September 18, 2020
1	Mr. Prahlad Rai Agarwala	Chairman, Executive, Promoter	10	Nil	4	Yes
2	Mr. Ghanshyam Prasad Agarwala	Vice-chairman, Executive, Promoter	2	Nil	3	Yes
3	Mr. Kunj Bihari Agarwal	Managing Director, Promoter	6	Nil	5	Yes
4	Mr. Ramesh Agarwal	Executive, Promoter	17	2	5	Yes
5	Mr. Mukesh Agarwal	Executive, Promoter	18	Nil	5	Yes
6	Mr. Dipak Kumar Banerjee	Independent Non-Executive	2	1	5	Yes
7	Mr. Dharam Chand Jain	Independent Non-Executive	5	Nil	4	Yes

Corporate Governance Report

Sl. No.	Name of the Director	Category of Directors	Number of Directorship in other Companies [#]	Number of Membership/ Chairmanship in other Company's Committee(s)*	Number of Board Meetings attended during the year	Attendance at the last AGM held on September 18, 2020
8	Mr. Sushil Patwari	Independent Non-Executive	14	2 (including 1 as a Chairperson)	5	Yes
9	Mrs. Alka Devi Bangur	Independent Non-Executive	5	2 (including 1 as a Chairperson)	5	Yes
10	Mr. Vinod Kumar Kothari	Independent Non-Executive	5	1	4	Yes
11	Mr. Ashok Bhandari	Independent Non-Executive	12	9	5	Yes
12	Mr. Niraj Kabra	Executive, Non-promoter	1	Nil	5	Yes

#Other Directorships includes Directorships in Public Limited Companies, Private Limited Companies as well as Section 8 Companies (i.e., Companies formed with charitable objects, etc.)

**Only covers Membership/ Chairmanship of Audit Committee and Stakeholders' Relationship Committee of other Public Limited Companies.*

The name of the other listed companies in which the Directors of the Company is a Director and the category of directorship, as on March 31, 2021, are as hereunder:

Sl.	Name of the Director	Name of the other listed companies	Category of Directorship in other companies
1	Mr. Prahlad Rai Agarwala	Nil	Not applicable
2	Mr. Ghanshyam Prasad Agarwala	Nil	Not applicable
3	Mr. Kunj Bihari Agarwal	Nil	Not applicable
4	Mr. Ramesh Agarwal	Nil	Not applicable
5	Mr. Mukesh Agarwal	Nil	Not applicable
7	Mr. Dipak Kumar Banerjee	Shristi Infrastructure Development Corporation Limited	Non-executive, Independent
8	Mr. Dharam Chand Jain	Nil	Not applicable
9	Mr. Sushil Patwari	Nagreeka Exports Ltd. Nagreeka Capital & Infrastructure Ltd	Promoter, Executive Promoter, Non-Executive
10	Mrs. Alka Devi Bangur	The Peria Karamalai Tea and Produce Company Limited	Managing Director, Executive
11	Mr. Vinod Kumar Kothari	Greenply Industries Ltd	Non-executive, Independent
11	Mr. Ashok Bhandari	Intrasoft Technologies Limited Maithan Alloys Ltd. Skipper Limited IFB Industries Ltd Maharashtra Seamless Limited N.B.I. Industrial Finance Company Ltd	Non-executive, Independent
12	Mr. Niraj Kabra	Nil	Not applicable

Corporate Governance Report

The number of Directorships, Committee Membership(s)/ Chairmanship(s) of all Directors is within the limits as prescribed under the Act and the SEBI Listing Regulations. Further, in the opinion of the Board, the independent directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management. None of the Independent Directors of the Company are on the Board of any other Company as Non-Independent Director where the Non-Independent Director of the Company is an Independent Director.

Further, none of the independent director(s) of the Company have resigned during the year.

Skills/ Expertise/ Competence of the Board of Directors

Details of core skills/ expertise/ competencies required by the Board for efficient functioning of the Company, in the context of business of the Company and sector to which the Company belongs and status of those skills/expertise/competence available with the Board as well as the directors who have such skills/ expertise/ competence, are as hereunder:

Sl	Broad parameters and summary	Skills/ Expertise/ Competencies	Status of availability with the Board	Name of Directors, who have such skills/ expertise/ competence											
				Prahlad Rai Agarwala	Ghanshyam Prasad Agarwala	Kunj Bihari Agarwal	Ramesh Agarwal	Mukesh Agarwal	Niraj Kabra	Dharam Chand Jain	Dipak Kumar Banerjee	Ashok Bhandari	Sushil Patwari	Alka Devi Bangur	Vinod Kumar Kothari
1	Understanding of business/ industry	Experience and knowledge of textile and hosiery business and sector and associated businesses;	Yes	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Strategy and strategic planning	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's policies and priorities.	Yes	✓	✓	✓	✓	✓	×	✓	✓	✓	✓	✓	✓
3	Critical and innovative thoughts	The ability to critically analyse the information and develop innovative approaches and solutions to the problems.	Yes	✓	✓	✓	✓	✓	×	×	✓	✓	✓	✓	✓
4	Financial understanding	Ability to analyse and understand the key financial statements, assess financial viability of the business and efficient use of resources.	Yes	✓	×	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Market understanding	Understanding of market, consumer behaviour and sales.	Yes	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Corporate Governance Report

Sl	Broad parameters and summary	Skills/ Expertise/ Competencies	Status of availability with the Board	Name of Directors, who have such skills/ expertise/ competence										
				Prahlad Rai Agarwala	Ghanshyam Prasad Agarwala	Kunj Bihari Agarwal	Ramesh Agarwal	Mukesh Agarwal	Niraj Kabra	Dharam Chand Jain	Dipak Kumar Banerjee	Ashok Bhandari	Sushil Patwari	Alka Devi Bangur
6	Corporate governance	Understanding of the corporate governance norms and practices for sustainable growth and for generation of long term value to all its stakeholders.	Yes	✓	x	✓	✓	x	x	x	✓	✓	✓	✓
7	Risk and compliance oversight	Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance, monitor risk and compliance management frameworks.	Yes	✓	✓	✓	✓	✓	✓	x	✓	✓	✓	x

Board Procedure

The Board meets at least once in a quarter to review the quarterly business and the financial performance of the Company, apart from other Board businesses. However, the Board's function is not limited to matters requiring approval of the Board statutorily. The Board is involved in all the important decisions relating to the Company and policy matters, strategic business plans, new avenues of investment and expansion, compliance with statutory/ regulatory requirements, major accounting provisions, etc. The Independent Directors provide an effective monitoring role and play an important role in the deliberations at the Board and Committee Meetings and bring to the Company their expertise in the fields of business, corporate governance, strategic & risk management, finance, management and law.

The Company, from time to time, familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The detail of familiarization programme is disclosed on the website of the Company. The same is available on the website of the Company at the link, http://rupa.co.in/livesite/wp-content/uploads/2018/12/Familiarization_Programme_for_Independent_Directors1.pdf

The Meetings of the Board are generally convened at the Company's registered office in Kolkata. However, in view of the pandemic during the financial year 2020-21, the Board Meetings were held through video conferencing. In case of urgency or when the Board Meeting is not practicable to be held, the matters are resolved via circular resolution, as permitted by law, which is noted and confirmed in the subsequent Board Meeting.

The Board Meetings are generally scheduled in advance and the notice of the same is given in writing to each Director. The Board papers, comprising the agenda backed by comprehensive background information, are circulated to the Directors in advance as prescribed by law, to enable the Directors to take an informed decision and in exceptional cases, the same is tabled at the Board Meeting. The Board is also free to take up any matter, not included in the Agenda, for consideration with the permission of the Chairman and with the consent of majority of the Directors present in the Meeting.

Corporate Governance Report

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at the Board Meeting on the overall performance of the Company. The information, as specified in Regulation 17(7) of the SEBI Listing Regulations and Secretarial Standard – 1, as amended, is made available to the Board, wherever applicable.

The Minutes of the Board Meetings are circulated to all the Directors and confirmed at the subsequent Meeting. The Minutes of the Meetings of the Committees of the Board are placed before the Board Meeting of the Company for its review. Also, the Minutes of the Board Meetings of the Subsidiary Companies are placed at the Board Meetings of the Company for its review.

The Board of Directors of the Company met 5 (five) times during the Financial Year 2020-21. At least 1 (one) Board Meeting was held in every quarter and the time gap between any 2 (two) Board Meetings did not exceed 120 days as prescribed under the SEBI Listing Regulations and the Act, apart from the first Board Meeting in the Financial Year held on June 26, 2020, wherein general relaxation was given by the SEBI as well as by the Ministry of Corporate Affairs ("MCA") in view of the Covid-19 pandemic. During the year there was no resolution passed by circulation. The Details of Board Meetings held are as follows:

Sl. No.	Date of the Board Meetings	Board strength (Number of Directors)	Number of Directors Present	Number of Independent Directors Present
1	June 26, 2020	12	12	6
2	August 12, 2020	12	12	6
3	November 11, 2020	12	12	6
4	December 9, 2020	12	9	5
5	January 29, 2021	12	10	5

Directors seeking re-appointment at the ensuing AGM

Mr. Prahlad Rai Agarwala, Director (DIN: 00847452) and Mr. Ramesh Agarwal, Director (DIN: 00230702), being liable to retire by rotation at the ensuing AGM and being eligible, have offered themselves for re-appointment.

The brief profiles of the aforesaid Directors have been given in the Explanatory Statement annexed to the Notice of the ensuing AGM.

Inter-se relationship amongst Directors

The relationship between the Directors inter-se has been depicted in the table below:

Sl.	Name	Designation	Relationship
1	Mr. Prahlad Rai Agarwala	Chairman (Whole-time Director)	Father of Mr. Ramesh Agarwal and brother of Mr. Ghanshyam Prasad Agarwala and Mr. Kunj Bihari Agarwal
2	Mr. Ghanshyam Prasad Agarwala	Vice-Chairman (Whole-time Director)	Father of Mr. Mukesh Agarwal and brother of Mr. Prahlad Rai Agarwala and Mr. Kunj Bihari Agarwal
3	Mr. Kunj Bihari Agarwal	Managing Director	Brother of Mr. Prahlad Rai Agarwala and Mr. Ghanshyam Prasad Agarwala
4	Mr. Ramesh Agarwal	Whole-time Director	Son of Mr. Prahlad Rai Agarwala
5	Mr. Mukesh Agarwal	Whole-time Director	Son of Mr. Ghanshyam Prasad Agarwala

Apart from the relations mentioned hereinabove, there is no inter-se relation among the Directors of the Company.

Corporate Governance Report

Audit Committee

Terms of Reference

Terms of Reference of the Audit Committee are as hereunder:

1. Oversight of the financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
4. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
5. Review and monitor the Auditor's independence and performance and effectiveness of audit process;
6. Examination of the Financial Statement and the Auditors' Report thereon;
7. Approval or any subsequent modification of transactions of the Company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Reviewing, with the management, performance of Statutory and Internal Auditors;
11. Discussion with Internal Auditors of any significant findings and follow up there on;
12. Evaluation of internal financial controls and risk management systems;
13. To review the functioning of the Whistle Blower Mechanism.

The detailed terms of reference of the Audit Committee as per Section 177(4) of the Act and Regulation 18 of the SEBI Listing Regulations, is available on the website of the Company at the link, http://rupa.co.in/livesite/wp-content/uploads/2019/03/Audit_Committee.pdf

Composition

As on March 31, 2021, Audit Committee comprised of 6 (six) members, of which majority were Independent Directors. All the members of the Audit Committee are financially literate and bring in expertise in the fields of accounting or related finance management. The composition of the Audit Committee is in accordance with the provisions of the Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act. The composition of the Audit Committee is as hereunder:

Name of Member	Position	Category
Mr. Vinod Kumar Kothari	Chairman	Independent, Non-Executive
Mr. Dipak Kumar Banerjee	Member	Independent, Non-Executive
Mr. Ashok Bhandari	Member	Independent, Non-Executive
Mr. Sushil Patwari	Member	Independent, Non-Executive
Mr. Ramesh Agarwal	Member	Promoter, Executive
Mr. Mukesh Agarwal	Member	Promoter, Executive

The Company Secretary acts as the Secretary to the Audit Committee.

Audit Committee Meeting and Attendance

During the Financial Year ended March 31, 2021, 5 (five) Audit Committee Meetings were held and the time gap between any 2 (two) such Meetings was not more than 120 days as prescribed under the SEBI Listing Regulations, apart from the

Corporate Governance Report

first Audit Committee Meeting in the Financial Year, held on June 26, 2020, wherein general relaxation was given by the SEBI as well as by the Ministry of Corporate Affairs ("MCA") in view of the Covid-19 pandemic. The details of the Meetings and attendance thereof are as hereunder:

Name of the Member	Meetings held during the year and Attendance				
	June 26, 2020	August 11, 2020	November 11, 2020	December 9, 2020	January 29, 2021
Mr. Vinod Kumar Kothari	Present	Present	Present	Present	Present
Mr. Dipak Kumar Banerjee	Present	Present	Present	Present	Present
Mr. Sushil Patwari	Present	Present	Present	Present	Present
Mr. Ashok Bhandari	Present	Present	Present	Present	Present
Mr. Ramesh Agarwal	Present	Present	Present	Present	Present
Mr. Mukesh Agarwal	Present	Present	Present	Present	Present

Mr. Vinod Kumar Kothari, Chairman of the Audit Committee, attended the last AGM of the Company held on September 18, 2020 and replied to the queries related to Accounts to the satisfaction of the Shareholders.

Nomination and Remuneration Committee

Terms of Reference

Terms of Reference of the Nomination and Remuneration Committee are as hereunder:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
4. recommend to the board, all remuneration, in whatever form, payable to senior management;
5. shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance; and
6. To perform such other function as may be delegated by the Board of Directors from time to time.

The detailed terms of reference of the Nomination and Remuneration Committee as per Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, is available on the website of the Company at the Link, http://rupa.co.in/livesite/wp-content/uploads/2019/03/Nomination__Remuneration_Committee.pdf

Corporate Governance Report

Composition, Meeting and Attendance

As on March 31, 2021, Nomination and Remuneration Committee comprised of 3 (three) members, all being Independent Non-Executive Directors. The composition of the Committee is as per the provisions of Regulation 19 of the SEBI Listing Regulations and Section 178 of the Act. The composition of the Nomination and Remuneration Committee is as hereunder:

Name of the Member	Position	Category	Meeting held during the year and Attendance
			June 26, 2020
Mr. Dipak Kumar Banerjee	Chairman	Independent, Non-Executive	Present
Mr. Vinod Kumar Kothari	Member	Independent, Non-Executive	Present
Mr. Sushil Patwari	Member	Independent, Non-Executive	Present

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

Performance Evaluation Criteria for Independent Directors

Pursuant to the provisions of the SEBI Listing Regulations and as per the requirement of Schedule IV of the Act, the criteria and the brief details of the performance evaluation carried out of Independent Directors has been given in the Board's Report.

Remuneration to Directors

Non-Executive Directors

The shareholders of the Company at the AGM held on August 31, 2018, has approved the payment of profit related commission to Non-executive Directors (Independent) of the Company, annually, for a period not exceeding 5 (five) consecutive Financial Years, commencing from the financial year 2017-18, up to 1% of the net profits of the Company in any Financial Year, subject to a maximum ceiling of ₹ 26,00,000/- (Rupees Twenty Six Lacs only), in aggregate, per annum. The said Commission would be divided amongst the Non-executive Directors (Independent) in such manner, as decided by the Board of Directors of the Company.

The Non-Executive Directors are also being paid sitting fees. The sitting fees were paid to each Non-Executive Director @ ₹ 90,000/- (Rupees Ninety Thousand only) for each Meeting of the Board, ₹ 60,000/- (Rupees Sixty Thousand only) for each Meeting of the Audit Committee and ₹ 25,000/- (Rupees Twenty-five Thousand only) for each Meeting of the Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee, of the Board, attended by them. Further, each Independent Director was paid sitting fees @ ₹ 90,000/- (Rupees Ninety Thousand only) for their separate Meeting, attended by them.

The criteria of making payment to the Non-Executive Directors of the Company have been uploaded on the website of the Company at the link, http://rupa.co.in/livesite/wp-content/uploads/2018/12/Remuneration_Policy.pdf.

Corporate Governance Report

The sitting fees and commission paid during the Financial Year 2020-21, is given in the table below:

Name of the Directors	Sitting fees (₹ in lacs)	Commission (₹ in lacs)	Number of shares held	Period of appointment
Mr. Dipak Kumar Banerjee	9.65	5.00	Nil	Re-appointed in the AGM held on September 6, 2019, for a consecutive period of 5 (five) years, w.e.f. September 6, 2019.
Mr. Vinod Kumar Kothari	8.00	5.00	Nil	
Mr. Sushil Patwari	8.65	5.00	Nil	
Mr. Dharam Chand Jain	3.60	3.00	40,000	
Mrs. Alka Devi Bangur	5.40	3.00	Nil	Re-appointed in the AGM held on September 6, 2019, for a consecutive period of 5 (five) years, w.e.f. November 14, 2019.
Mr. Ashok Bhandari	8.65	5.00	Nil	Appointed w.e.f. August 10, 2018 for a consecutive period of 5 (five) years.
Total	43.95	26.00	40,000	

None of the Non-Executive directors hold any convertible instruments in the Company, as the Company has not issued any convertible instruments. There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company except for payment of remuneration.

Executive Directors

The appointment of Executive Directors is governed by resolutions passed by the Board of Directors and Shareholders of the Company, which covers the terms of such appointment and payment of remuneration to them. Remuneration paid to the Executive Directors were recommended by the Nomination and Remuneration Committee and approved by the Board and the Shareholders of the Company at General Meeting and is within the limits prescribed under the Act. The remuneration package of Executive Directors comprises of salary, commission, perquisites & allowances, performance bonus, etc. Annual increments are recommended by the Nomination and Remuneration Committee to the Board for their approval. Presently, the Company does not have any stock option plan.

Remuneration paid to the Executive Directors during the Financial Year 2020-21 is stated below:

Name of the Directors	Salary & Allowances (₹ in lacs)	Commission (₹ in lacs)	Performance based Incentive* (₹ in lacs)	Perquisites (₹ in lacs)	Total (₹ in lacs)	Service Contract/ Notice Period/ Severance Fees*
Mr. Prahlad Rai Agarwala, Chairman (Whole-time Director)	108	100	-	-	208	Re-appointed w.e.f. April 1, 2020 for 5 (five) years
Mr. Ghanshyam Prasad Agarwala, Vice-Chairman (Whole-time Director)	102	-	-	-	102	Period of office ended on March 31, 2021. Re-appointed w.e.f. April 1, 2021 for 5 (five) years
Mr. Kunj Bihari Agarwal, Managing Director	102	-	-	-	102	Period of office ended on March 31, 2021. Re-appointed w.e.f. April 1, 2021 for 5 (five) years

Corporate Governance Report

Name of the Directors	Salary & Allowances (₹ in lacs)	Commission (₹ in lacs)	Performance based Incentive* (₹ in lacs)	Perquisites (₹ in lacs)	Total (₹ in lacs)	Service Contract/ Notice Period/ Severance Fees*
Mr. Ramesh Agarwal, Whole-time Director-cum-Chief Financial Officer	72	-	36	-	108	Re-appointed w.e.f. April 1, 2020 for 5 (five) years
Mr. Mukesh Agarwal, Whole-time Director	72	-	36	-	108	Re-appointed w.e.f. April 1, 2020 for 5 (five) years
Mr. Niraj Kabra, Executive Director	17	-	-	-	17	Appointed for a period of 5 years, w.e.f. February 12, 2018 years w.e.f. February 12, 2018
Total	473	100	72	-	645	

*As per the terms of appointment and policy of the Company.

Stakeholders' Relationship Committee

Terms of Reference

Terms of Reference of the Stakeholders' Relationship Committee are as hereunder:

1. Resolving the grievances of the security holders including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company.
5. All such complaints directly concerning the shareholders/ investors as stakeholders of the Company;
6. To review, approve or delegate transfer, transmission, transposition and mutation of shares/securities, including issue of duplicate certificates and new certificates on split/ sub-division/ consolidation/ renewal, and to deal with all related matters;
7. To review the dematerialization and rematerialisation of securities of the Company and such other related matters;

The detailed terms of reference of the Stakeholders' Relationship Committee, as per Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations are available on the website of the Company at the link, http://rupa.co.in/livesite/wp-content/uploads/2019/03/Stakeholders_Relationship_Committee.pdf

Composition, Meeting and Attendance

The composition of the Stakeholders' Relationship Committee is in compliance with the provision of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act. During the Financial Year ended March 31, 2021, 1 (one) Stakeholders' Relationship Committee Meetings were held. The composition of the Committee and details of the Meeting and attendance thereof are as hereunder:

Corporate Governance Report

Name of the Member	Position	Category	Meeting held during the year and Attendance
			March 31, 2021
Mr. Sushil Patwari	Chairman	Independent, Non-Executive	Absent
Mr. Ramesh Agarwal	Member	Executive, Promoter	Present
Mr. Mukesh Agarwal	Member	Executive, Promoter	Present

The Company Secretary acts as the Secretary to the Stakeholders' Relationship Committee.

Risk Management Committee

Terms of Reference

Terms of Reference of the Risk Management Committee are as hereunder:

1. To consider and review, the Company's risk management strategies and whether it is consistent with the Company's strategy and business plan;
2. To consider, review and approve risk management policies and guidelines;
3. To decide on risk levels, risk appetite and related resource allocation;
4. To review major risk management activities such as hedging transactions;
5. To review the Company's approach to risk management and approve changes or improvements to key elements of its processes and procedures;
6. To review the cyber-security function and examine the subsequent findings and take corrective actions as required.

The detailed terms of reference of the Risk Management Committee, are available on the website of the Company at the link, http://rupa.co.in/livesite/wp-content/uploads/2019/03/Risk_Management_Committee.pdf

Composition, Meeting and Attendance

The Risk Management Committee of the Board of Directors of the Company comprised of 6 (six) Members. The composition of the Risk Management Committee is in compliance with the provision of Regulation 21 of the SEBI Listing Regulations. During the Financial Year ended March 31, 2021, 1 (one) Meeting of Risk Management Committee was held. The composition of the Committee and details of the Meeting and attendance thereof are as hereunder:

Name of the Member	Position	Category	Meeting held during the year and Attendance
			March 24, 2021
Mr. Dipak Kumar Banerjee	Chairman	Independent Director	Present
Mr. Ramesh Agarwal	Member	Whole-time Director-cum-Chief Financial Officer	Present
Mr. Mukesh Agarwal	Member	Whole-time Director	Present
Mr. Niraj Kabra	Member	Executive Director	Present
Mr. Vikash Agarwal	Member	President	Present
Mr. Arihant Kumar Baid	Member	Manager-Finance & Accounts	Present

Corporate Governance Report

Compliance Officer

Mr. Kundan Kumar Jha, Company Secretary, act as the Compliance Officer of the Company.

Details of Shareholders' complaints received, resolved and pending

There were no Shareholders' complaints received during the Financial Year 2020-21. Further, there were no Shareholders' complaints pending either at the beginning of the Financial Year as well as at end of the Financial Year.

The communications received from the Shareholders were addressed by the Company or by the Registrar and Transfer Agent to the satisfaction of the Shareholders. Shareholders'/ Investors' grievances and other correspondence are normally attended promptly within the maximum period as specified under the law except matters constrained by disputes or legal impediments.

Subsidiary Companies

The Wholly-owned Subsidiaries of the Company are unlisted and non-material.

The Minutes of the Board Meetings of the Subsidiaries are placed at the Board Meetings of the Company. Statement of important and significant transactions of the Subsidiaries is placed regularly at the Board Meetings of the Company. The Audit Committee of the Company reviews Financial Statement including the investments, if any, made by the Subsidiaries.

CEO and CFO Certification

In terms of the provisions of the SEBI Listing Regulations, the Managing Director, Whole-time Director-cum-Chief Financial Officer (CFO) and Chief Executive Officer of the Company have given the annual certification on financial reporting to the Board and that the same forms part of this Annual Report.

General Body Meetings

Details of the location and time where the last 3 (three) AGMs of the Company were held and the Special Resolutions passed therein:

Financial Year	Location	Date & Time	Special Resolutions Passed
2017-18	Satyajit Ray Auditorium, Indian Council for Cultural Relations (ICCR), 9A, Ho Chi Minh Sarani, Kolkata - 700 071	August 31, 2018 at 11:00 a.m.	a) Approval of the payment of existing remuneration to the Executive Directors of the Company, who are promoters or members of the promoter group
2018-19	Kala Kunj, 48 Shakespeare Sarani, Kolkata – 700 017	September 6, 2019 at 11:00 a.m.	a) Approval of re-appointment of Mr. Vinod Kothari (DIN: 00050850), as an Independent Director of the Company. b) Approval of re-appointment of Mr. Dipak Kumar Banerjee (DIN: 00028123), as an Independent Director of the Company. c) Approval of re-appointment of Mr. Sushil Patwari (DIN: 00023980), as an Independent Director of the Company. d) Approval of re-appointment of Mr. Dharam chand Jain (DIN: 00453341), as an Independent Director of the Company. e) Approval of re-appointment of Mrs. Alka Devi Bangur (DIN: 00012894), as an Independent Director of the Company. f) Adoption of a new set of Articles of Association of the Company

Corporate Governance Report

Financial Year	Location	Date & Time	Special Resolutions Passed
2019-20	AGM held through Video Conferencing (VC) facility. Deemed venue- Metro Tower, 8 th Floor, 1 Ho Chi Minh Sarani, Kolkata – 700 071. VC facility provided by National Securities Depositories Ltd	September 18, 2020 at 11:00 a.m.	a) Approval of re-appointment of Mr. Ghanshyam Prasad Agarwala (DIN: 00224805), as the Whole-time Director of the Company. b) Approval of re-appointment of Mr. Kunj Bihari Agarwal (DIN: 00224857), as the Managing Director of the Company.

Resolutions passed through Postal Ballot during the Financial Year 2019–20

During the Financial year 2019-20, the Company has conducted Postal Ballot process for the re-appointment including remuneration of Mr. Prahlad Rai Agarwala, Mr. Ramesh Agarwal and Mr. Mukesh Agarwal, as the Whole-time Directors of the Company, for a period of 5 (five) years, with effect from April 1, 2020. The Company had issued Postal Ballot Notice dated February 25, 2020 for passing of 3 (three) Special Resolutions and the cut-off date for determining voting rights was reckoned as February 14, 2020. The details of the said Special Resolutions are as hereunder:

1. Re-appointment including remuneration of Mr. Prahlad Rai Agarwala (DIN: 00847452), as a Whole-time Director of the Company;
2. Re-appointment including remuneration of Mr. Ramesh Agarwal (DIN: 00230702), as a Whole-time Director of the Company;
3. Re-appointment including remuneration of Mr. Mukesh Agarwal (DIN: 02415004), as a Whole-time Director of the Company.

The said Special Resolutions were duly approved by the Shareholders on March 25, 2020, with requisite majority, as required under the Act. The details of voting pattern are as hereunder:

Special Resolution Number	Number of votes polled	Number of valid votes polled	Number of invalid votes polled	Number of valid votes – In Favour	Number of valid votes – Against	% of votes in favour, on total valid votes polled	% of votes against, on total valid votes polled
1	64963069	64963067	2	64962033	1034	99.998	00.002
2	64963067	64963065	2	64962051	1014	99.998	00.002
3	64963066	64963064	2	64962050	1014	99.998	00.002

CS H.M. Choraria, Practicing Company Secretary, Proprietor of M/s H.M. Choraria & Co., was appointed as the Scrutinizer to conduct the aforesaid Postal Ballot processes in a fair and transparent manner. The Company had provided the facility of voting through electronic means in addition to voting by Postal Ballot. The procedure of Postal Ballot, as contained in the respective Postal Ballot Notices, is available on the website of the Company at the link <http://rupa.co.in/general-meeting-notice-proxy/>.

No resolution through postal ballot passed during the financial year 2020-21. Further, there is no immediate proposal for passing any resolution through Postal Ballot process.

Hon'ble National Company Law Tribunal (NCLT) convened Meeting during the Financial Year 2020-21

Pursuant to an application filed by the Company under Section 230 read with Section 232 of the Act, the Hon'ble NCLT, Kolkata Bench vide order dated February 3, 2021 had directed to convene separate meetings of the Equity Shareholders, Unsecured Creditors and Secured Creditors, of the Company on March 26, 2021 to seek their approval w.r.t. the proposed

Corporate Governance Report

Scheme of Arrangement. Accordingly, the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors were held under the Chairmanship of Mr. Soumitra Lahiri, Chartered Accountant on March 26, 2021. Mr. Arnab Dutta, Independent Legal Professional, was appointed as the Scrutinizer for the said NCLT Convened Meetings and the following resolution was proposed for the consideration of the Equity Shareholders, Secured Creditors and the Unsecured Creditors:

"Approval of Scheme of Arrangement between Oban Fashions Private Limited ("Demerged Company"), Wholly-owned Subsidiary of Rupa & Company Limited, and Rupa & Company Limited ("Resulting Company")"

The said Resolution was duly approved by the Equity Shareholders, Unsecured Creditors and Secured Creditors at their respective meetings held on March 26, 2021, with requisite majority, as required under the Act.

The details of voting pattern of the aforesaid meetings along with the Scrutinizers report are available on the website of the company, at the link- http://rupa.co.in/livesite/wp-content/uploads/2021/03/Rupa_Reg-44_Voting-Result_NCLT-Convened-Meeting.pdf.

Details of utilization of funds raised through preferential allotment or qualified institutions placement

The Company has not raised funds through preferential allotment or qualified institutions placement.

PCS Certificate on Directors' eligibility to hold office

The Certificate from M/s Nidhi Bagri & Company, Practising Company Secretaries, stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority, forms part of this Annual Report.

Incidence where recommendation of the Committees has not been accepted by the Board

During the Financial Year, there were no such instances where the Board had not accepted any recommendation of any Committee.

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part

Name of the Company – fees paid/payable by	Name of the Party	Total fees for 2020-21 (Amount ₹ in Lakhs)
Rupa & Company Limited	M/s Singhi & Co., Statutory Auditor	30.15
Euro Fashion Inners International Private Limited, WOS of Rupa & Company Limited	M/s K. Agarwal & Co., Statutory Auditor	0.71
Imoogi Fashions Private Limited, WOS of Rupa & Company Limited	CA Amit Kumar Agarwalla, Statutory Auditor	0.60
Oban Fashions Private Limited, WOS of Rupa & Company Limited	M/s Singhi & Co., Statutory Auditor	4.05
Rupa Fashions Private Limited, WOS of Rupa & Company Limited	M/s MSKA & Associates, Statutory Auditor	0.30
RUPA Bangladesh Private Limited, WOS of Rupa & Company Limited	M/s Pinaki & Company, Statutory Auditors	0.20

Code of Conduct

The Company has adopted a comprehensive Code of Conduct as required under the SEBI Listing Regulations and the said code is available on the website of the Company at the link, http://rupa.co.in/site/wp-content/uploads/2015/10/Code_of_Conduct_Rupa_30_05_2016.pdf

Corporate Governance Report

All members of the Board and Senior Management Personnel have affirmed their compliance with the provisions of the Code of Conduct as on March 31, 2021, as required under Regulation 26(3) of the SEBI Listing Regulations and a declaration to this effect signed by the Managing Director and the Chief Executive Officer, forms part of this Annual Report.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There were no complaint pending at the beginning of the year, no complaint received/ resolved during the year and no complaint pending at the end of the year.

Means of Communication

- i) The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly Financial Results in the format prescribed under the SEBI Listing Regulations. The approved Financial Results are forthwith sent to the Stock Exchanges, where the Company's shares are listed and are published, within the prescribed time period, in one of the prominent English business daily, the Economic Times and a local language newspaper, Ei Samay. However, in view of the relaxation given due to the pandemic, the publication in newspaper was not made of the results for the quarter and year ended March 31, 2020. Presently, half-yearly report is not sent to each household of shareholders.
- ii) The Company's Financial Results and official news releases are displayed on the Company's website, www.rupa.co.in.
- iii) The NSE Electronic Application Processing System (NEAPS) and Listing Centre are web based applications designed for compliance related filings by NSE and BSE, respectively, for listed companies. All periodical compliance filings are filed electronically on NSE's NEAPS and BSE's Listing Centre.
- iv) SEBI Complaints Redressal System (SCORES): The investor complaints, if any, are processed in a centralized web based complaints redressal system mandated by the SEBI through SCORES.
- v) The Company has designated following email IDs exclusively for redressal of the investor grievances and the necessary disclosure to this effect has also been made on the Company's website, www.rupa.co.in:
E-mail IDs: cs@rupa.co.in and mgr.cs@rupa.co.in
- vi) The Company sends reminders for the unpaid dividend to the Shareholders every year.
- vii) Management Discussion and Analysis forms part of this Annual Report, which is sent to the Shareholders of the Company.
- viii) Official news release, if any, is being placed on the website of the Company at www.rupa.co.in.
- ix) The Corporate presentations made to institutional investors or to the analysts during the financial year are placed on the website of the Company, at the link- <http://rupa.co.in/corporate-information/>.

General Shareholder's Information

Detailed information in this regard is provided herein below:

i) Annual General Meeting

In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs, vide, Circular No.20/2020 dated May 5, 2020 read with Circular No.2/2021 dated January 13, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, *inter alia*, permitted conduct of Annual General Meeting through video conferencing (VC) or other audio visual means (OAVM) facility.

Day, Date and Time: Tuesday, August 31, 2021, at 11.00 A.M.

Venue: Annual General Meeting through VC/ OAVM facility

Corporate Governance Report

[Deemed Venue for Annual General Meeting: Registered Office: Metro Tower, 8th Floor, 1 Ho Chi Minh Sarani, Kolkata – 700 071, West Bengal, India]

ii) Financial Year Calendar for 2021-2022

The Company follows 1st April to 31st March as its Financial Year. The tentative calendar for consideration of the Financial Results during the Financial Year 2021-22, is as follows:

Financial Results for the quarter ending June 30, 2021	2nd week of August, 2021
Financial Results for the half year ending September 30, 2021	1st week of November, 2021
Financial Results for the quarter ending December 31, 2021	1st week of February, 2022
Financial Results for the quarter and year ending March 31, 2022	3rd week of May, 2022

iii) Book Closure Date

From August 25, 2021 to August 31, 2021 (both days inclusive).

iv) Dividend

The dividend, as recommended by the Board of Directors, if approved at the ensuing AGM, will be paid at par to those Members, whose name shall appear on the Register of Members as on close of business hours on Tuesday, the August 24, 2021. The dividend payout shall be made on or after September 4, 2021.

Unclaimed/ unpaid dividends and related shares

The dividend remaining unpaid/ unclaimed for a period of 7 (seven) years from the date of transfer to the Unpaid Dividend Account is required to be transferred by the Company to the Investor Education and Protection Fund ('IEPF') administered by the Central Government. The dates of declaration of dividend and corresponding dates when unpaid/ unclaimed Dividends are due for transfer to the IEPF are as hereunder:

Financial Year	Date of declaration of dividend	Due Date for transfer to IEPF
2013-14	September 11, 2014	October 18, 2021
2014-15	September 15, 2015	October 22, 2022
2015-16 (Interim)	March 11, 2016	April 17, 2023
2016-17	August 31, 2017	October 7, 2024
2017-18	August 31, 2018	October 7, 2025
2018-19	September 6, 2019	October 13, 2026
2019-20	September 18, 2020	October 25, 2027

The details of the unpaid dividend can be accessed through the link: <http://rupa.co.in/unpaid-dividend/>

During the year ended March 31, 2021, the Company has transferred unclaimed and unpaid dividend for the Financial Year 2012-13, amounting to ₹ 1,17,404/- (Rupees One Lakh Seventeen Thousand Four Hundred and Four only), to the IEPF on November 20, 2020, within the due date.

During the year ended March 31, 2021, 12,001 Equity Shares of ₹ 1/- each, held by 3 shareholders, in aggregate, whose dividends have remained unpaid or unclaimed for a period of seven consecutive years or more, has been transferred to the demat account of the IEPF Authority on November 27, 2020, within the due date.

Corporate Governance Report

v) Stock Exchanges on which shares are listed

The shares of the Company are listed at the below mentioned Exchanges:

Sl. No.	Name of the Stock Exchange	Address
	National Stock Exchange of India Limited (NSE)	Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051
	BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

Annual Listing Fees, as prescribed, has been paid by the Company to BSE and NSE, for the Financial Year 2020-21.

vi) Stock Code

NSE – RUPA

BSE – 533552

Demat ISIN for National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) – INE895B01021

vii) Market Price Data (Face Value of ₹1/- each)

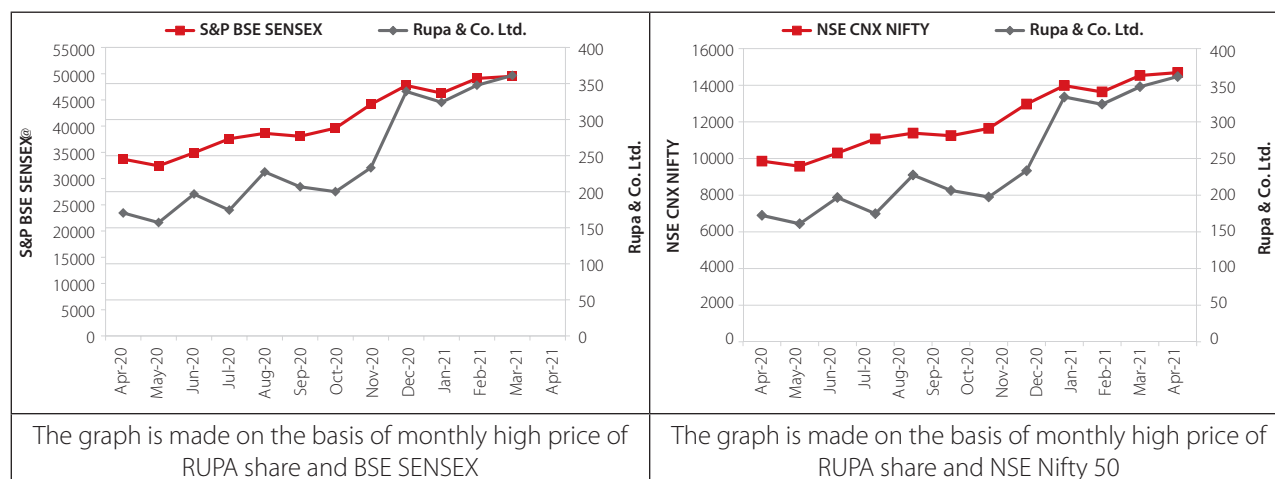
The monthly high and low quotations and volume of shares traded on BSE and NSE during the year are given below:

Month & Year	BSE			NSE		
	Month's high price (₹)	Month's low price (₹)	Volume (Numbers)	Month's high price (₹)	Month's low price (₹)	Volume (Numbers)
April, 2020	170.45	116.00	32,332	172.40	115.65	5,52,961
May, 2020	157.20	135.00	27,303	161.00	120.00	4,95,868
June, 2020	196.65	149.00	1,49,318	196.80	146.30	17,22,006
July, 2020	174.40	150.50	53,878	174.80	150.90	6,54,027
August, 2020	227.35	150.05	2,61,410	227.45	150.20	33,03,592
September, 2020	206.70	173.75	57,042	206.40	173.95	4,64,732
October, 2020	200.00	178.00	38,570	197.45	176.35	2,10,935
November, 2020	233.00	185.90	1,12,707	233.35	185.05	12,61,877
December, 2020	339.00	211.25	9,08,328	334.00	215.00	79,84,737
January, 2021	323.90	279.65	2,40,703	324.00	279.00	23,27,106
February, 2021	347.60	286.10	3,24,154	347.95	285.60	43,81,520
March, 2021	361.15	296.80	2,23,836	361.75	300.00	31,05,083

viii) Share Price Performance in comparison to broad-based indices, namely, BSE Sensex and NSE Nifty 50, respectively

Financial Year	BSE		NSE	
	% change in RUPA share price	% change in BSE SENSEX	% change in RUPA share price	% change in NSE Nifty 50
2020-21	+164.01	+68.01	+165.72	+70.87

Corporate Governance Report



ix) The shares of the Company are not suspended from trading.

x) **Registrar and Share Transfer Agents (RTA)**

Name: Maheshwari Datamatics Pvt. Ltd.
 Address: 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001
 Tel: +91-33-2243 5029/2248 2248, Website: www.mdpl.in
 Fax: +91-33-2248 4787, E-mail ID: mdpldc@yahoo.com

xi) **Address for Correspondence**

RTA

Maheshwari Datamatics Pvt. Ltd.
 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001
 Tel: +91-33-2243 5029/ 2248 2248
 Fax: +91-33-2248 4787
 E-mail ID: mdpldc@yahoo.com

Company's Registered Office

Rupa & Company Limited
 Metro Tower, 8th Floor,
 1, Ho Chi Minh Sarani, Kolkata – 700 071
 Tel: +91-33-4057 3100; Fax: +91-33-2288 1362
 E-mail ID: cs@rupa.co.in

xii) **Share Transfer System**

The work relating to Share Registry both in physical and electronic form are handled by the RTA of the Company. The transfer/ transmission requests received from the shareholders/ investors are promptly processed by the RTA after due verification of the documents in consultation with the Company. In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through respective Depository Participants. In compliance with the SEBI Listing Regulations, a Practicing Company Secretary audits the System of Transfer and a Certificate to that effect is issued half yearly as required under Regulation 40(9) of the said Regulations. The Company provides investor and depository services through its RTA.

Corporate Governance Report

xiii) Distribution of Shareholding as on March 31, 2021

Shareholding Range	Number of Holders	% of total number of Shareholders	Number of Shares	% of Shareholding
Upto 500	13,792	92.59	10,64,379	1.34
501 to 1,000	508	3.41	4,10,787	0.52
1,001 to 2,000	274	1.84	4,27,676	0.54
2,001 to 3,000	98	0.66	2,56,360	0.32
3,001 to 4,000	41	0.27	1,51,389	0.19
4,001 to 5,000	34	0.23	1,60,853	0.20
5,001 to 10,000	65	0.44	4,97,345	0.62
Above 10,000	83	0.56	7,65,55,771	96.27
Grand Total	14,895	100.00	7,95,24,560	100.00

xiv) Shareholding Pattern as on March 31, 2021

Category	Number of Shares held	% of Share capital
Promoter & Promoter Group Shareholding		
Promoter & Promoter Group (Indian)	5,82,75,545	73.28
Sub-total (A)	5,82,75,545	73.28
Public Shareholding		
Public – Institutions		
Alternate Investment Funds	12,00,000	1.51
Foreign Portfolio Investors	3,98,720	0.50
Sub-total (B)	15,98,720	2.01
Public – Non-Institutions		
Bodies Corporate	1,62,27,500	20.41
Indian Public	32,49,781	4.09
Non Resident Individuals	88,052	0.11
IEPF Authority	39,622	0.05
Others	45,340	0.05
Sub-total (C)	1,96,50,295	24.71
Total (A+B+C)	7,95,24,560	100.00

xv) Dematerialization of Shares

As on March 31, 2021, 99.74% of the equity shares of the Company were held in dematerialized form, with 100% of the shareholding of Promoter(s) and Promoter Group being in dematerialized form. The Company is into an agreement with NSDL and CDSL, whereby shareholders have the option to dematerialize their shares with either of the two depositories.

Corporate Governance Report

Status of Dematerialization as on March 31, 2021

Particulars	Number of Shares	% to Total Paid-up Capital
NSDL	7,25,76,648	91.26
CDSL	67,42,498	8.48
Total Dematerialized	7,93,19,146	99.74
Physical	2,05,414	0.26
Total	7,95,24,560	100.00

xvi) Liquidity

The Company's Equity Shares are liquid and actively traded on the Indian Stock Exchanges, i.e., NSE and BSE are the only stock exchanges where the shares of the Company are listed.

xvii) Outstanding Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs)/ Warrants or any Convertible Instruments, conversion date and likely impact on Equity

The Company has not issued any GDRs/ADRs/Warrants or any other Convertible Instruments.

xviii) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company does not have derivative and commodity instruments. Risk to Company from foreign currency exposure on import/ export transactions is very minimal. Further, such risks are managed through Internal Finance Controls. The details of foreign currency transactions are disclosed in Note 3.9 and Note 48 in the Notes to the Standalone Financial Statements.

xix) Details of credit ratings obtained by the Company along with any revisions thereto during the financial year 2020-21

The details of credit ratings obtained by the Company along with any revisions thereto during the financial year 2020-21, for all debt instruments are as hereunder:

Nature of instrument	Rating Agency	Date of Rating	Amount	Rating outstanding
Long Term Rating	CRISIL	Rating outstanding as on 31/03/2020	₹ 308 crores	CRISIL AA-/ Stable (Reaffirmed)
Short Term Rating				CRISIL A1+ (Reaffirmed)
Commercial Paper			₹ 180 crores	CRISIL A1+
Commercial Paper	CRISIL	20/05/2020	₹ 180 crores	CRISIL A1+
Long Term Rating	CRISIL	31/07/2020	₹ 308 crores	CRISIL AA-/ Stable (Reaffirmed)
Short Term Rating				CRISIL A1+ (Reaffirmed)
Commercial Paper	CRISIL	31/07/2020	₹ 180 crores	CRISIL A1+

xx) Plant Locations

Jalan Industrial Complex,
Bombay Road (National Highway 6)
P.O. - Begri, Vill - Biprannapara
Howrah, West Bengal – 711 411

S.F. No.387/4, Angeripalayam Road, Angeripalayam Post,
Dist. - Tirupur, Tamil Nadu – 640 602

Premises No.2/104, Thekkalur Avinashi Road, Avinashi,
Tirupur, Tamilnadu – 641 654

Paridhan Garment Park, 19, Canal South Road,
Kolkata – 700105

E-4, and E-6, Sector D-1 (P-3), Tronica City,
Ghaziabad, U.P. – 201 102

Unit 4B, AMR Business Park, Kodihikanahalli Main Road,
Bengaluru, Karnataka – 560 068

Corporate Governance Report

Disclosures

i) Disclosure on materially significant related party transactions, that may have potential conflict with the interests of the Company at large

All related party transactions entered by the Company during the financial year with related party were in the ordinary course of business and at an arm's length basis. There are no materially significant related party transactions made by the Company with its subsidiaries, its promoters, directors or management, or their relatives, etc. that may have potential conflict with the interests of the Company at large. Further, disclosure of transactions with related parties is set out in Note 43 and 45 in Notes to the Standalone Financial Statements, forming part of this Annual Report.

The policy on Related Party Transactions and policy for determining material subsidiaries has been uploaded on the website of the Company. The same are available at the links: <http://rupa.co.in/livesite/wp-content/uploads/2018/12/policy-on-related-party-transactions.pdf> and http://rupa.co.in/livesite/wp-content/uploads/2018/12/Policy_for_determining.pdf, respectively.

ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last 3 (three) years

The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the Regulations and Guidelines of SEBI. Consequently, there were no strictures or penalties imposed on the Company by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last 3 (three) years.

iii) Establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee

In terms of Regulation 22 of the SEBI Listing Regulations and Section 177 of the Act, read with the Rules made thereunder, the Company has established a vigil mechanism and framed a 'Whistle Blower Policy'.

Audit Committee looks into the complaints raised, if any, and their redressal. No personnel have been denied access to the Audit Committee and there were no cases reported during the Financial Year ended March 31, 2021.

The Policy has been uploaded on the website of the Company and the same is available at the link, http://rupa.co.in/livesite/wp-content/uploads/2019/03/Whistle_Blower_Policy.pdf.

Non-Compliance with the requirements of Corporate Governance Report

There has been no non-compliance with any of the requirement of Corporate Governance Report, as prescribed under Regulation 34, read with Para C of Schedule V of the SEBI Listing Regulations.

Adoption of the discretionary requirements under SEBI Listing Regulations

All the mandatory requirements of the SEBI Listing Regulations are being complied with and the Discretionary or Non-mandatory requirements, as specified under Regulations 27(1), read with Part E of Schedule II to the SEBI Listing Regulations, are reviewed by the Board from time to time and adopted wherever necessary. The Company has adopted following non-mandatory requirements:

- The Auditor's Report on the Company's Financial Statements is unmodified.
- The Company has appointed separate person for the post of Chairman and Managing Director.
- The Report of the Internal Auditors is placed before the Audit Committee on a quarterly basis and the same is reviewed by the Audit Committee.

Corporate Governance Report

Compliance with Corporate Governance Requirements

The Company has complied with the Corporate Governance requirements as specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

Demat Suspense Account/ Unclaimed Suspense Account

There were no shares underlying in the demat suspense account or unclaimed suspense account.

Corporate Governance Report

Independent Auditor's Certificate on Corporate Governance

To
The Members of
Rupa & Company Limited

1. We have examined the compliance of conditions of Corporate Governance by Rupa & Company Limited ("the Company"), for the year ended on March 31, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended March 31, 2021.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
9. This Report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the SEBI Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

For **Singhi & Co.**

Chartered Accountants

ICAI Firm Registration No.302049E

Sd/-

Ankit Dhelia

Partner

Place: Kolkata
Date: May 31, 2021

Membership No. 069178
UDIN: 20069178AAAABI4906

Corporate Governance Report

Certification by Managing Director and Chief Financial Officer in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, the undersigned, in our respective capacities as the Managing Director, Whole-time Director-cum-Chief Financial Officer and Chief Executive Officer of Rupa & Company Limited ("the Company"), in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereby certify that:

- A. We have reviewed the Financial Statements, including the Cash Flow Statement, of the Company for the Financial Year ended March 31, 2021 and to the best of our knowledge and belief, we state that:
 - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal, or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated, wherever applicable, to the Auditors and the Audit Committee:
 - (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the Financial Statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Kunj Bihari Agarwal
Managing Director
Rupa & Company Limited
DIN: 00224857

Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
Rupa & Company Limited
DIN: 00230702

Dinesh Kumar Lodha
Chief Executive Officer
Rupa & Company Limited

Place: Kolkata
Date: May 31, 2021

Declaration affirming compliance with the Code of Conduct

[Regulation 34, read with Schedule V(D), of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

This is to confirm that the Company has adopted a "Code of Conduct and Business Ethics" for its Board Members, Senior Management Personnel and all other employees and that the same is available on the website of the Company, www.rupa.co.in.

We, hereby declare that all the Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the aforesaid Code for the Financial Year ended March, 31, 2021.

Kunj Bihari Agarwal
Managing Director
Rupa & Company Limited
DIN: 00224857

Dinesh Kumar Lodha
Chief Executive Officer
Rupa & Company Limited

Date: May 31, 2021
Place: Kolkata

Corporate Governance Report

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Rupa & Company Limited
1, Ho Chi Minh Sarani,
Metro Tower, 8th Floor
Kolkata-700071

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Rupa & Company Limited** having CIN L17299WB1985PLC038517 and having registered office at 1, Ho Chi Minh Sarani, Metro Tower, 8th Floor, Kolkata-700071 (hereinafter referred to as the 'Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Prahlad Rai Agarwala, Executive, Chairman, Promoter	00847452	06.02.1985
2.	Mr. Ghanshyam Prasad Agarwala, Executive, Vice Chairman, Promoter	00224805	13.07.1987
3.	Mr. Kunj Bihari Agarwal, Managing Director, Promoter	00224857	17.07.1987
4.	Mr. Ramesh Agarwal, Whole-time Director-cum-Chief Financial Officer, Promoter	00230702	29.07.2009
5.	Mr. Mukesh Agarwal, Whole-time Director, Promoter	02415004	29.07.2009
6.	Mr. Niraj Kabra, Executive Director, Non-Promoter	08067989	12.02.2018
7.	Mr. Vinod Kumar Kothari, Non Executive and Independent Director	00050850	26.07.2004
8.	Mr. Ashok Bhandari, Non Executive and Independent Director	00012210	10.08.2018
9.	Ms. Dharam Chand Jain, Non Executive and Independent Director	00453341	31.01.2003
10.	Mr. Dipak Kumar Banerjee, Non Executive and Independent Director	00028123	30.05.2013
11.	Mr. Sushil Patwari, Non Executive and Independent Director	00023980	17.11.2003
12.	Mrs. Alka Devi Bangur, Non Executive Independent Director	00012894	14.11.2014

Please note that ensuring the eligibility of/for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on qualification/ disqualification of directors as per provisions of law based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Thanking you,

For **Nidhi Bagri & Company**
(Practising Company Secretaries)

Sd/-
(Nidhi Bagri)
Proprietor
ACS No. 24765
C.P. No. 9590
UDIN: A024765C000353786

Date: May 19, 2021
Place: Kolkata



Business Responsibility Report



For the Financial Year ended March 31, 2021

[Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L17299WB1985PLC038517
2.	Name of the Company	Rupa & Company Limited
3.	Registered address	1, Ho Chi Minh Sarani, Metro Tower , 8 th Floor, Kolkata -700071
4.	Website	www.rupa.co.in
5.	E-mail ID	cs@rupa.co.in
6.	Financial Year reported	2020-21
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturing of knitted apparel including hosiery 14309
8.	Key products/services that the Company manufactures/ provides	Manufacturing and sale of Hosiery Goods

Business Responsibility Report

9.	Total number of locations where business activity is undertaken by the Company	
a)	Number of International Locations	Nil
b)	Number of National Locations	Manufacturing facilities are located at 4 locations. The details are given in the Corporate Governance Report, forming part of this Annual Report.
10.	Markets served by the Company	The Company's products have national presence and some of the products are exported as well.

Section B: Financial Details of the Company

1.	Paid-up Capital (₹ in Lakhs)	795.25
2.	Total Turnover (₹ in Lakhs)	1,26,121.68
3.	Total Profit after Taxes (₹ in Lakhs)	18,089.93
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after taxes	₹ 319.30 Lakhs, i.e., 1.77% of the net profit for the financial year 2020-21. However, the Company has spent in excess of 2% of the average profit of 3 immediately preceding financial year. The excess CSR expenditure of ₹ 42.70 Lakhs, out of ₹ 319.30 Lakhs, has been carry forward for set off next year.
5.	List of activities in which expenditure in 4 above has been incurred	The Company has carried out various CSR Activities, as prescribed under the Companies Act, 2013. The details of such activities are given in the Annual Report on CSR Activities, annexed to the Board's Report, forming part of this Annual Report

Section C: Other Details

1.	Does the Company have any Subsidiary Company/Companies?	The Company has 5 (five) Wholly-owned Subsidiaries.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company?	No, the Subsidiary Companies do not participate in the BR initiatives of the Company. However, the Company encourages its subsidiary companies to participate in the BR initiatives of the Company.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?	Other entity/entities (e.g., suppliers, distributors, etc.) that the Company does business with, do not participate in the BR initiatives of the Company.

Section D: BR (Business Responsibility) Information

The Board of Directors of the Company has entrusted the Corporate Social Responsibility (CSR) Committee of the Board, with the responsibility of BR implementation, reporting and other related matters. The terms of reference of the CSR Committee has been modified to include the activities relating to BR implementation and other related matters and the same is available on the website of the Company, at the link, <http://rupa.co.in/site/wp-content/uploads/2015/10/corporate-social-responsibility-policy.pdf>

Business Responsibility Report

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies

DIN	00224857
Name	Mr. Kunj Bihari Agarwal
Designation	Managing Director

b) Details of the BR head

DIN (if applicable)	08067989
Name	Mr. Niraj Kabra
Designation	Executive Director
Telephone Number	+91-33-40573100
E-mail ID	niraj.kabra@rupa.co.in

2. Principle-wise (as per NVGs) BR Policy/policies:

The Company operates with a strong belief that giving back to the society and contributing towards its sustainable development is every organizations responsibility. The Company practices highest standards of corporate and individual behaviour in the conduct of business and the discharge of their duties. The Company focuses on the areas of ethical risk, integrity and honesty, provides guidance to help individuals to recognize and deal with ethical issues and help foster a culture of honesty, integrity and accountability.

The BR Policy of the Company is based on the National Voluntary Guidelines on Social, Environment and Economic Responsibilities of Business (NVGs) issued by the Ministry of Corporate Affairs, Government of India.

This Policy is supported by the Code of Conduct and Business Ethics of the Company which describes the standards that everyone, at Rupa & Company Limited, follows.

The National Voluntary Guidelines provide the following nine principles.

Principle 1: Ethics, Transparency and Accountability [P1]	Principle 6: Environment [P6]
Principle 2: Products Lifecycle Sustainability [P2]	Principle 7: Policy Advocacy [P7]
Principle 3: Employees' Well-being [P3]	Principle 8: Inclusive Growth [P8]
Principle 4: Stakeholder Engagement [P4]	Principle 9: Customer Value [P9]
Principle 5: Human Rights [P5]	

Business Responsibility Report

a) Details of Compliance (Reply in Y/N)

Principle-wise as per National Voluntary Guidelines (NVGs) BR Policy/Policies:

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/ international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Company strives to promote human rights as mentioned in the Constitution of India in the provisions of Fundamental Rights and Directive Principles of State Policy and also the guidelines of the International Bill of Human Rights.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The BR Policy has been signed by the Chairman of the Company.								
5.	Does the Company have a specified Committee of the Board/ Director/ Official to oversee the implementation of the policy?	The Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company is authorised to oversee the implementation of the Business Responsibility Policy, reporting and other related matters.								
6.	Indicate the link for the policy to be viewed online?	The BR Policy can be viewed at: http://rupa.co.in/site/wp-content/uploads/2015/10/Business_Responsibility_Policy1.pdf For further reference on various policies, the same can be viewed in link, as mentioned in the following notes:								
		6a		6b	6c	6d			6e	
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Audit/ evaluation has been carried out with the internal resources.								

Notes to the Clause 2(a)(6):

6(a) http://rupa.co.in/site/wp-content/uploads/2015/10/Code_of_Conduct_Rupa_30_05_2016.pdf

http://rupa.co.in/livesite/wp-content/uploads/2019/03/Whistle_Blower_Policy.pdf

6(b) http://rupa.co.in/livesite/wp-content/uploads/2019/03/Whistle_Blower_Policy.pdf

6(c) http://rupa.co.in/livesite/wp-content/uploads/2021/03/Corporate_Social_Responsibility_Policy.pdf

http://rupa.co.in/livesite/wp-content/uploads/2019/03/Whistle_Blower_Policy.pdf

<http://rupa.co.in/livesite/wp-content/uploads/2018/12/Dividend-Distribution-Policy.pdf>

6(d) http://rupa.co.in/livesite/wp-content/uploads/2019/03/Whistle_Blower_Policy.pdf

6(e) http://rupa.co.in/livesite/wp-content/uploads/2021/03/Corporate_Social_Responsibility_Policy.pdf

Business Responsibility Report

- b) **If answer to the question at serial number 1 against any principle, is 'No', please explain why:** Not applicable.

3. Governance related to BR

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year:** The CSR Committee of Board of Directors assesses the BR Performance of the Company, annually.
- b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?** – The Business Responsibility Report, forms part of the Annual Report for the Financial Year 2020-21. The same is also available on the Company's website, www.rupa.co.in.

Section E: Principle-wise Performance

Principle 1

- 1) **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?** – The Policy relating to ethics, bribery and corruption covers only the Company and its employees. The Company strives to maintain the highest standards of ethics in all spheres of its business activities. It is our endeavor to inculcate ethical behavior at all levels across the Company, making it an essential part of the work culture. Apart from BR Policy, the Company has following policies dealing with ethics, transparency and accountability:

Code of Conduct and Business Ethics: This Code is applicable to Company's directors, senior management and employees. All concerned are required to strictly adhere to this Code of Conduct and Business Ethics. The Company ensures maximum appropriate disclosure to its various stakeholders without impacting its strategic intent.

Whistle Blower Policy: Company's Whistle Blower mechanism provides an avenue to address concerns, in line with the Company's policy of highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, as well as timely redressal of concerns and disclosures to build and strengthen a culture of transparency and trust in the Company.

This Policy does not extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others. However, the Company encourages them to participate in the BR initiatives of the Company.

- 2) **How many stakeholder complaints have been received in the Financial Year under review and what percentage was satisfactorily resolved by the management?** – During the Financial Year, no Shareholder's complaint was received by the Company. No complaints were pending as on March 31, 2021. All communications/ queries received, were resolved, by the Company, to the satisfaction of the Shareholders. Customers' complaints and other correspondence are attended promptly by the Company.

Principle 2

- 1) **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities** – The Company is engaged in manufacturing and sale of the hosiery and related products and services. The Company ensures that the goods it produces meets the safety standards. The manufacturing units of the Company meet applicable environmental norms. The Company ensures that its business goals are pursued without compromising on social or environmental concerns.
- 2) **For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.)** – The Company ensures that it keeps balance of the social, environmental and economic impact of the business it conducts. The Company also ensures that its business goals are pursued without compromising any of the three elements, throughout the life cycle of the goods, from design to disposal/ delivery, i.e., from acquisition of raw materials through manufacturing and processing, smart packaging, distribution and transportation, use and reuse, recycling and disposal. The details of steps taken by the Company for conservation of energy has been detailed out in Annexure – I to the Board's Report, forming part of this Annual Report.

Business Responsibility Report

- 3) **Does the Company have procedures in place for sustainable sourcing (including transportation)?** – The Company strives to use all the resources viz. raw materials, natural resources and other resources, like, electricity, air, power, etc., sustainably, with maximum optimisation at all stages, including recycling the same to the extent possible. The Company also regularly advises its employees, workers, engineers, value chain members including suppliers and distributors, customers and recyclers, on optimum utilisation of resources. The Company shall strives to use solar energy, depending on its feasibility, as part of captive consumption at its manufacturing units.
- 4) **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?** – The Company strives to procure goods from local & small producers. The Company also outsources some of its jobs to local contractors and job-workers.
- 5) **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).** – The Company ensures that the waste products generated during the process of manufacturing are re-cycled or the by-products generated, if any, are put to best possible use to safeguard the environment from over utilization of resources and minimize the hazards. The Company has installed plant and machinery with latest technology which reduces the wastage. The Company strives to reduce its own environmental footprints, influence the stakeholders in order to encourage them to reduce their footprints and engage with the employees to help reduce their personal footprints.

The waste cutting fabrics are being sold to third party for recycling thereof to make it reusable in some manner and accordingly more than 90% of the wastes are recycled.

Principle 3

- 1) **Total number of permanent employees**– 1054, as on March 31, 2021
- 2) **Total number of employees hired on temporary/contractual/casual basis**– 1240, as on March 31, 2021
- 3) **Number of permanent women employees**–162, as on March 31, 2021
- 4) **Number of permanent employees with disabilities**– The Company does not follow differential recruitment policy based on employees' demographic details and physical abilities. Hence, this number is not tracked.
- 5) **Do you have an employee association that is recognized by management**– No, there is no trade union in the factories of the Company. Employees have formed Works Committee in manufacturing units to address the grievances.
- 6) **Percentage of permanent employees who are members of this recognized employee association**– Not applicable.
- 7) **Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending, as on the end of the Financial Year**–

No.	Category	Number of complaints filed during the Financial Year	Number of complaints pending as on end of the Financial Year
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

- 8) **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**– Human Resources function is instrumental in creating and developing human capital in alignment with the Company's requirement. One of the key focus areas in the Company's objective is to groom and to train employees. It imparts training to its employees at regular intervals, which enrich their knowledge, skill and competency to perform

Business Responsibility Report

their job effectively and efficiently. Workplace safety training is also being provided to the workmen to enhance their knowledge and skills, they need to protect equipment, facilities and unintentional physical injuries. Training has been provided to the workforce according to the training module.

Principle 4

- 1) **Has the Company mapped its internal and external stakeholders? Yes/No** – Yes, the Company has mapped its internal and external stakeholders. We recognise employees, business associates (network of suppliers, stockists and dealers), customers, shareholders/ investors, communities surrounding our operations and regulatory authorities as our key stakeholders.
- 2) **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?–** The Company believes that all its stakeholders are not equally influential and therefore it encourages to proactively engage with and responds to safeguard the interest of those that are disadvantaged, vulnerable and marginalized and who are at an underdeveloped area. The Corporate Social Responsibility (CSR) initiatives undertaken by the Company has been driven towards the benefit of the disadvantaged, vulnerable and marginalized stakeholders.
- 3) **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? –** The initiatives taken by the Company have been detailed out in the Annual Report on CSR activities, which has been annexed to the Board's Report, marked as Annexure – III, forming part of this Annual Report.

Principle 5

- 1) **Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?** – In Rupa, the issues related to human rights are covered under the Code of Conduct and Business ethics and Whistle Blower Policy, apart from the BR Policy, which covers only the Company and its employees. The Company understands and continuously strives to promote human rights as mentioned in the Constitution of India in the provisions of Fundamental Rights and Directive Principles of State Policy and also the guidelines of the International Bill of Human Rights.
- 2) **How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management?** – No complaint was received pertaining to human rights violation during the past Financial Year. Details of complaints received from shareholders have been dealt in clause 2 of Principle 1.

Principle 6

- 1) **Does the policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?** – The Policy related to Principle 6 cover only the Company. However, the Company encourages that the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others should follow the underlying standard stated under this principle.
- 2) **Does the Company has strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage, etc.** – The Company ensures undertaking of pollution control measures not only at all stages of production but also within the workplace, i.e., within the administrative offices, units, depots and such other places where the Company operates.
- 3) **Does the Company identify and assess potential environmental risks? Y/N** – The Company assesses the potential environmental risks periodically by gauging the environmental impacts of the existing practices and procedures adopted by the Company and the extent to which practices can be modified so as to mitigate the environmental damage and to reduce adverse impact on environment by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.

Business Responsibility Report

- 4) **Does the Company has any project related to Clean Development Mechanism?** – No, the Company does not have any project related to Clean Development Mechanism.
- 5) **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.?** – The Company continuously endeavour to use the latest energy efficient technologies to ensure optimal utilisation of the resources without having to compromise with the quality of its products. The Company has in place an Environment Management Systems (EMS) which deals with preventing, mitigating and controlling environmental damages and disasters and also devises plans to deal with contingencies.
- 6) **Are the emissions/ waste generated by the Company within the permissible limits given by CPCB/ SPCB for the Financial Year being reported?** – During the Financial Year, the emissions, solid waste and effluent generated were within the limits as prescribed by CPCB or SPCB.
- 7) **Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on the end of Financial Year**– No show cause/ legal notices have been received from CPCB/ SPCB during the Financial Year.

Principle 7

- 1) **Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with** – The Company strives to engage with the Government and be a part of various chambers and associations to make recommendations/ representations before regulators and associations for advancement and improvement of the industry to which it pertains. The executives of the Company participate and play an active role in committees, associations, etc., constituted for industry reforms and advancement. The Company or its executive(s) is/was the member, or associated with the(a) Indian Chamber of Commerce; (b) Bharat Chamber of Commerce; (c) Merchant Chamber of Commerce; (d) Federation of Hosiery Manufacturers Association of India (e) West Bengal Hosiery Association; and (f) South India Hosiery Association.
- 2) **Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No** – The Company shall perform the function of policy advocacy in a transparent and responsible manner while engaging with all the authorities and shall take into account the Company's interest as well as the larger national interest.

The Company believes that policy advocacy must preserve and expand public good and thus, it does not advocates any policy change to benefit itself alone or a select few.

Principle 8

- 1) **Does the Company has specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8?**– Yes, the Company supports the principles of inclusive growth and equitable development through not just its Corporate Social Responsibility initiatives but through its core business as well.
- 2) **Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organization?** – The Company undertakes programmes/ projects directly through in-house team as well as through other trusts, NGOs, etc.
- 3) **Have you done any impact assessment of your initiative?** – Yes, the Company internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the program in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.
- 4) **Company's direct/ indirect contribution to community development projects and the details of the projects undertaken** – The Company's contribution to the community development projects undertaken during the year through its CSR activities is Rs.319.30 lakhs. The details are given in Annexure – V to the Board's Report, forming part of this Annual Report. Apart from this, the Company also contributes, directly or indirectly, towards development projects for the community benefit.

Business Responsibility Report

- 5) **Have you taken steps to ensure that this community development initiative is successfully adopted by the community?** – The Company continuously engages with communities surrounding their operations through focused approach. This is done to gauge the needs, priorities and expectations of the local community. Initiatives are, thus, designed and delivered in a transparent manner in line with inputs from the community itself. We also try to create sustainable infrastructure/ programmes so that it should be continued on sustainable basis. The Company also takes reports from the implementing agencies to ensure the utilization of the fund.

Principle 9

- 1) **What percentage of customer complaints/ consumer cases are pending as on the end of Financial Year?** – The Company addresses the customer/ consumer complaints, if any, promptly on priority basis. There was no customer/ consumer complaint pending as at the end of the Financial Year.
- 2) **Does the Company display product information on the product label, over and above what is mandated as per local laws?** – The Company understands the importance of fair disclosure of the description of its products and thereby, ensures to disclose, truthfully and factually, such relevant information including risks about the product, as may be required statutorily, through labelling so that the consumers can exercise their freedom to consume in a responsible manner.
- 3) **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of Financial Year** – No case of material nature has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on the end of Financial Year.

Did your Company carry out any consumer survey/ consumer satisfaction trends? – The Company engages with its consumers on an ongoing basis and conducts methodical research on their satisfaction with respect to its products and advertisements. We undertake regular brand tracking exercises to assess brand preference scores and impact of our advertisements.

Independent Auditor's Report

To the Members of
Rupa & Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Rupa & Company Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, (including the Statement of Other Comprehensive Income), the Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its Cash Flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone 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 Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Emphasis of Matter

We draw your attention to Note 50 to the Standalone Financial Statements which describes the impairment assessment performed by the Company in respect of its investment of ₹5,941.00 Lakhs and net amounts recoverable aggregating to ₹788.03 Lakhs in its Wholly-owned Subsidiary M/s Oban Fashions Private Limited as at March 31, 2021 in accordance with by Indian Accounting Standard 36 "Impairment of Assets" / Indian Accounting Standard 109 "Financial Instruments". This assessment involves significant management judgment and estimates on the valuation methodology and various assumptions used in determination of value in use by independent valuation experts / management as more fully described in the aforesaid note. Based on such assessment and the independent valuation report, no impairment is considered necessary by the management on the investment and the recoverable amounts.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Independent Auditor's Report

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>1. Assessment of impairment of investment and loans given to subsidiary (Refer to Note 50 to the Standalone Financial Statements)</p> <p>As at March 31, 2021, the Company has investments aggregating to ₹ 5,941.00 Lakhs and net amounts recoverable aggregating to ₹ 788.03 Lakhs to its Wholly owned Subsidiary, M/s Oban Fashions Pvt. Ltd. This subsidiary has incurred losses during the current and previous years which indicate potential impairment of investments along with loans and advances given to this subsidiary. The impairment study requires estimation and judgement around assumptions used, including the recoverable value of underlying tangible assets. We consider this a key audit matter given the relative significance of value of investment and loans and advances to the Standalone Financial Statements and extent of management's judgements and estimates involved around impairment assessment of related factors such as future cash flows, discount rate, terminal value and economic growth rates etc.</p>	<p>Our audit procedures performed included the following:</p> <ul style="list-style-type: none"> • We understood the management's process of forecasting the future cash flows, evaluating the assumptions and comparing the estimates to externally available industry, economic and financial data, wherever necessary; • We assessed that the methodology used by management to estimate the value in use of the investment is consistent with accounting standards and is in line with the valuation standards applicable in India; • We have involved our internal valuation experts to assess the methodologies used by the management and independent valuation experts to determine the recoverable amount of the investment in subsidiary; • We checked the mathematical accuracy of the impairment model.
<p>2. Valuation & existence of inventories (Refer to Note 12 to the Standalone Financial Statements)</p> <p>The Company holds inventories amounting to ₹ 37,578.62 Lakhs as at the Balance Sheet date, which represent 32.45% of total assets.</p> <p>As described in the accounting policies in Note 3.1 to the Standalone Financial Statements, inventories are carried at the lower of cost and net realisable value. Inventories valuation and existence is a significant audit risk as inventories may be held for long periods of time before being sold making it vulnerable to obsolescence. As a result, the management applies judgment in determining the appropriate provisions for obsolete stock based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory. We have determined this to be a matter of significance to our audit due to the quantum of the amount involved.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Obtained a detailed understanding and evaluated the design and implementation of controls that the Company has established in relation to inventory valuation and existence. • Reviewing the document and other record related to physical verification of inventories done by the management during the year and subsequent to year end. • Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification. We have also verified on sample basis confirmation from third parties for inventory lying with them as at year end. • Obtained assurance over the management's assumptions applied in calculating the gross profit margin and discounts to be deducted from sales price to arrive at cost of products. • Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision. • Recomputing provisions recorded to verify that they are in line with the Company policy.
<p>3. Revenue recognition including estimation of rebates & discounts (Refer Note 27 to the Standalone Financial Statements)</p> <p>As described in Accounting Policy for Revenue recognition vide Note 3.6 of the Standalone Financial Statements, the revenue is recognised upon transfer of control of goods to the customer and thus requires an estimation of the revenue taking into consideration the rebates, discounts and incentives as per the terms of the contracts.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Obtained a detailed understanding and evaluated the design and implementation of controls that the Company has established in relation to revenue recognition and recording of rebates, discounts, etc. and period end provisions relating to estimation of revenue, and tested the operating effectiveness of such controls;

Independent Auditor's Report

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>The Company sells its products through various channels like dealers, modern trade, distributors, retailers, etc., and recognize liabilities related to rebates, discounts and incentives.</p> <p>With regard to the determination of revenue, the management is required to make significant estimates in respect of the rebates/ discounts linked to sales, which will be given to the customers pursuant to schemes offered by the Company and compensation (discounts) offered by the customers to the ultimate consumers at the behest of the Company.</p> <p>The matter has been determined to be a key audit matter in view of the involvement of significant estimates by the management.</p>	<ul style="list-style-type: none"> Tested the inputs used in the estimation of revenue in context of rebates, discounts, etc. to source data; Assessed the underlying assumptions used for determination of rebates, discounts etc; Ensured the completeness of liabilities recognised by evaluating the parameters for sample schemes; Performed look-back analysis for past trends by comparing recent actual with the estimates of earlier periods and assessed subsequent events; Tested credit notes issued to customers and payments made to them during the year and subsequent to the year- end along with the terms of the related schemes.
<p>4. Recoverability of Trade Receivables (Refer Note 13 to the Standalone Financial Statements)</p> <p>The company has trade receivables amounting to ₹ 33,090.16 Lakhs as at the Balance Sheet date, which represent 28.57% of total assets.</p> <p>Due to the inherent subjectivity that is involved in making judgments in relation to credit risk exposures to determine the recoverability of trade receivables and significant estimates and judgements made by the management for provision for loss allowance under Expected credit loss model. The matter has been determined to be a key audit matter in view of the involvement of significant estimates by the management.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> We evaluated and tested the controls relating to credit control and approval process and assessing the recoverability of overdue receivables by comparing management's views of recoverability of overdue receivables to historical patterns of receipts. We assessed and validated the ageing profile of trade receivables. We also checked on sample basis balance confirmations from customers to test whether trade receivables as per books are acknowledged by them. We also reviewed receipts on sample basis subsequent to the financial year end for its effect in reducing overdue receivables as the financial year end. We also reviewed at the adequacy of the management judgements and estimates on the sufficiency of provision for doubtful debts through detailed analysis of ageing of receivables and assessing the adequacy of the disclosures in respect of credit risk.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, Shareholder's Information, etc., but does not include the Standalone Financial Statements and our auditor's report thereon.

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified

Independent Auditor's Report

under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

Independent Auditor's Report

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) In our opinion, and according to information and explanation given to us, the managerial remuneration for the year ended March 31, 2021 has been paid/ provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act; and
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Note 11 & 37 to the Standalone Financial Statements;
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Singhi & Co.,**
Chartered Accountants
 Firm's Registration No. 302049E

Sd/-
(Ankit Dhelia)
Partner

Place: Kolkata
 Date: May 31, 2021

Membership No. 069178
 UDIN: 20069178AAAAAY8107

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Rupa & Company Limited of even date)

- i. In respect of the Company's fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, fixed assets have been physically verified during the year by the management in a phased manner in accordance with a planned programme of verifying them once in three years and no material discrepancies have been noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The physical verification of inventory excluding inventories in transit have been conducted at reasonable intervals by the management during the year. The discrepancies noted on physical verification of inventory as compared to book records were not material. Inventories lying with outside parties have been substantially confirmed by them at the year end.
- iii. The Company has granted loan to one body corporate covered in the register maintained under Section 189 of the Companies Act, 2013.
 - a) In our opinion, the rate of interest and other terms and conditions on which the loan has been granted were not, prima-facie, prejudicial to the interest of the company.
 - b) In case of the loan granted to the body corporate covered in the register maintained under Section 189 of the Companies Act, 2013, the loan and interest has been repaid as per the stipulated terms and conditions.
 - c) There are no overdue amounts in respect of loan granted to body corporate covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and advances given, investments made and guarantees & securities given.
- v. The Company has not accepted deposits from public within the meaning of Section 73 of the Act to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Accordingly, clause 3 (v) of the order is not applicable to the company.
- vi. In our opinion and according to the information and explanations given to us, the Government has not specified maintenance of the cost records under Section 148(1) of the Companies Act, 2013 in regard to the activities of the Company.
- vii. According to the information and explanations given to us and on the basis of our examination of the books of account:
 - a. The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Customs Duty, Goods and Service tax, Cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us and the records of the Company examined by us, no undisputed statutory dues as above were outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.
 - b. According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax Customs Duty, Goods and Service tax, Duty of Excise and any other statutory dues which have not been deposited on account of any dispute.

Annexure 'A' to the Independent Auditor's Report

- viii. According to the records of the Company examined by us and based on the information and explanation given to us by the management, the Company has not defaulted in repayment of loans or borrowing to banks as at the Balance sheet date. The Company does not have any outstanding dues to a financial institution or Government or debenture holders.
- ix. According to the records of the Company examined by us and the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer including debt instruments during the year. However, the Company has raised funds from Term Loan during the year and has applied the same for the purpose for which term loans are raised.
- x. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 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, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the company.

For **Singhi & Co.,**
Chartered Accountants
 Firm's Registration No. 302049E
 Sd/-
(Ankit Dhelia)
Partner
 Membership No. 069178
 UDIN: 20069178AAAAAY8107

Place: Kolkata
 Date: May 31, 2021

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Rupa & Company Limited of even date)

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

We have audited the internal financial controls over financial reporting with reference to financial statements of Rupa & Company Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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 respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to these Standalone 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Standalone Financial Statements was 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 over financial reporting with reference to these Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to financial statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Financial Statements.

Meaning of Internal Financial Controls over financial reporting with reference to these Standalone Financial Statements

A company's internal financial control over financial reporting with reference to these Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Standalone 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.

Annexure 'B' to the Independent Auditor's Report

Limitations of Internal Financial Controls over financial reporting with reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Standalone 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 statement to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Standalone 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these Standalone Financial Statements and such internal financial controls over financial reporting with reference to these Standalone Financial Statements were operating effectively as at March 31, 2021, based on the internal financial controls 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 **Singhi & Co.,**
Chartered Accountants
 Firm's Registration No. 302049E
 Sd/-
(Ankit Dhelia)
Partner
 Membership No. 069178
 UDIN: 20069178AAAAAY8107

Place: Kolkata
 Date: May 31, 2021

Standalone Balance Sheet

as at March 31, 2021

(₹ in Lakhs)

	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	4(a)	16,507.72	16,146.22
(b) Right to Use Assets	4(b)	1,644.96	1,066.50
(c) Capital Work-in-progress		1,935.26	636.77
(d) Intangibles Assets	5	51.23	116.73
(e) Investments in Subsidiaries	6	6,370.37	6,370.37
(f) Financial assets			
(i) Investments	7	0.18	0.18
(ii) Loans	8	113.57	192.98
(iii) Other Financial Assets	9	18.70	18.95
(g) Non-Current Tax Assets (Net)	10	1,018.46	1,018.46
(h) Other Non Current Assets	11	851.41	1,054.55
		28,511.86	26,621.71
Current Assets			
(a) Inventories	12	37,578.62	44,185.26
(b) Financial Assets			
(i) Trade Receivable	13	33,090.16	23,017.38
(ii) Cash and Cash Equivalents	14	276.11	97.18
(iii) Other Bank Balances (other than above)	15	11,519.43	40.04
(iv) Loans	8	1,121.38	447.92
(v) Other Financial Assets	9	112.86	13.04
(c) Other current assets	11	3,607.69	4,450.45
		87,306.25	72,251.27
TOTAL ASSETS		1,15,818.11	98,872.98
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	796.29	796.29
(b) Other Equity	17	77,611.90	61,896.84
		78,408.19	62,693.13
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	1,354.09	1,089.91
(ii) Lease Liabilities	19	1,360.13	686.39
(b) Deferred Tax Liabilities (Net)	22	1,013.06	924.63
(c) Other Non-Current Liabilities	23	171.99	202.67
		3,899.27	2,903.60
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	8,545.66	12,482.82
(ii) Lease Liabilities	19	71.48	164.47
(iii) Trade payables	25		
-Total outstanding dues of creditors to micro and small enterprises		1,154.36	-
-Total outstanding dues of creditor to other than micro and small enterprises		13,626.01	12,128.64
(iv) Other Financial Liabilities	20	7,290.13	7,641.75
(b) Provisions	21	333.02	323.96
(c) Current Tax Liabilities (Net)	26	1,945.91	-
(d) Other Current Liabilities	23	544.08	534.61
		33,510.65	33,276.25
TOTAL EQUITY & LIABILITIES		1,15,818.11	98,872.98
Basis of Accounting	2		
Significant Accounting Policies	3		
Significant Judgements and Key Estimates	3.20		

The notes are the integral part of the Standalone Financial Statements

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Ankit Dhelia
Partner
Membership No. 069178
Place: Kolkata
Date: May 31, 2021

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

For and on behalf of the Board of Directors

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Dinesh Kumar Lodha
Chief Executive Officer

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in Lakhs)

	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I Revenue from Operations	27	1,26,121.68	94,140.11
II Other Income	28	599.84	790.95
III Total Income (I+II)		1,26,721.52	94,931.06
IV Expenses			
Cost of Materials Consumed	29	47,968.65	46,025.74
Changes in Inventories of Finished Goods and Work in Progress	30	9,019.28	(8,332.92)
Employee Benefits Expense	31	4,811.48	5,520.09
Finance Costs	32	944.07	1,481.22
Depreciation and Amortisation Expense	33	1,132.36	1,567.92
Other Expenses	34	38,543.98	38,466.17
Total Expenses (IV)		1,02,419.82	84,728.22
V Profit before Exceptional Items & Tax (III-IV)		24,301.70	10,202.84
VI Exceptional Items		-	-
VII Profit/(Loss) Before Tax (V-VI)		24,301.70	10,202.84
VIII Tax Expense	35		
a) Current Tax (Including Earlier Year Tax)		6,127.00	2,646.73
b) Deferred Tax		84.77	(450.42)
IX Profit for the Year (VII- VIII)		18,089.93	8,006.53
X Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss - Remeasurements of defined benefit plans		14.53	9.57
(ii) Income tax relating to items that will not be reclassified to profit or loss		(3.66)	(2.41)
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI Other Comprehensive Income for the year [(A(i-ii) +B(i-ii))]		10.87	7.16
XII Total Comprehensive Income for the year (IX+XI)		18,100.80	8,013.69
XIII Earnings per Equity Share	42		
Basic Earnings per Share (₹)		22.75	10.07
Diluted Earnings per Share (₹)		22.75	10.07
Basis of Accounting	2		
Significant Accounting Policies	3		
Significant Judgements and Key Estimates	3.20		

The notes are the integral part of the Standalone Financial Statements

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Ankit Dhelia
Partner
Membership No. 069178
Place: Kolkata
Date: May 31, 2021

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

For and on behalf of the Board of Directors

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Dinesh Kumar Lodha
Chief Executive Officer

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Corporate Overview

Governance Report

Financial Statements

Rupa & Company Limited / Annual Report 2020-21

Statement of Cash Flow

for the year ended March 31, 2021

(₹ in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES		
Profit Before Tax	24,301.70	10,202.84
Adjustment to reconcile Profit Before Tax to Net Cash Flows		
(a) Depreciation and Amortisation	1,132.36	1,567.92
(b) Finance Cost	944.07	1,481.22
(c) (Profit)/Loss on disposal of Plant, Property & Equipment (Net)	(1.51)	(47.34)
(d) Bad Debts written off	5.10	37.52
(e) Sundry Balances written off	13.29	-
(f) Unspent Liabilities written back	(1.33)	(317.49)
(g) Provision for Doubtful Trade Receivables/(written back)	110.50	3.03
(h) Gain on Disposal/Retirement of Right of Use Assets	(34.59)	-
(i) Deferred Revenue on Government Grant	(30.67)	(33.63)
(j) Unrealised Foreign Exchange Gain/Loss	(19.53)	(53.51)
(k) Interest Income	(280.97)	(299.60)
Operating Profit before Working Capital Changes	26,138.42	12,540.96
Changes in Working Capital		
(a) (Increase)/decrease in Inventories	6,606.65	(9,066.86)
(b) (Increase)/decrease in Trade Receivables	(10,169.64)	14,017.21
(c) (Increase)/decrease in Other Financial Assets	17.70	(69.93)
(d) (Increase)/decrease in Non-Financial Assets	829.47	(1,644.67)
(e) Increase/(decrease) in Trade Payables	2,651.71	(845.61)
(f) Increase/(decrease) in Other Financial Liabilities	(643.10)	(1,079.08)
(g) Increase/(decrease) in Provisions	23.59	44.72
(h) Increase/(decrease) in Non-Financial Liabilities	9.47	89.65
Cash Generated from Operations	25,464.27	13,986.39
Less: (a) Direct Taxes Paid	(4,380.59)	(4,417.71)
Net Cash from Operating Activities	21,083.68	9,568.68
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES		
(a) Purchase of Plant, Property & Equipment (including Capital Advances)	(2,263.35)	(1,779.33)
(b) Disposal of Plant, Property & Equipment	5.23	379.30
(c) Investment in a Subsidiary Companies	-	(4,968.37)
(d) Redemption of/(Investment in) Fixed Deposits (net)	(11,476.78)	(1.90)
(e) Loan Refunded	109.18	4,699.87
(f) Loans Granted	(720.33)	(537.72)
(g) Interest Received	180.80	371.61
Net Cash used in Investing Activities	(14,165.25)	(1,836.54)

Statement of Cash Flow

for the year ended March 31, 2021

(₹ in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES		
(a) Repayment of Non-Current Borrowings	(428.54)	(250.15)
(b) Proceeds from Non-Current Borrowings	934.95	587.23
(c) Proceeds / (Repayment) of Current Borrowings (net)	(3,937.15)	(4,021.43)
(d) Payment of Lease Liabilities (including interest thereon)	(243.35)	(257.46)
(e) Dividend and Tax paid thereon	(2,385.74)	(2,876.13)
(f) Interest Paid	(680.46)	(1,384.21)
Net Cash used in Financing Activities	(6,740.29)	(8,202.15)
Net increase/(decrease) in Cash & Cash Equivalent (A+B+C)	178.14	(470.01)
Cash & Cash Equivalents at the beginning of the period	97.18	566.48
Effect of exchange rate changes on cash and cash equivalents	0.79	0.71
Cash & Cash Equivalents at the end of the period	276.11	97.18

Note:

- The above statement of cash flows has been prepared under the "Indirect Method" as set out in IND AS - 7 "Statement of Cash Flows".
- Closing Cash and Cash Equivalents represent balances of cash and cash equivalents as indicated in Note 14 to the financial statements.
- Statement of Reconciliation of Financing Activities :

	Term Loan from Banks	Short Term Borrowings
Balance as at April 1, 2020 (including interest accrued thereon)	1,410.28	12,505.17
Cash Flow (Net)	506.41	(3,937.15)
Non Cash Changes		
Fair Value Changes	-	-
Others	-	-
Interest Expense**	150.43	352.00
Interest Paid	(147.49)	(364.22)
Total	1,919.63	8,555.80

** Gross interest amount before capitalisation

- Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- Previous years figures have been regrouped / reclassified wherever necessary

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E
Sd/-
Ankit Dhelia
Partner
Membership No. 069178
Place: Kolkata
Date: May 31, 2021

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452
Sd/-
Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

For and on behalf of the Board of Directors

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805
Sd/-
Dinesh Kumar Lodha
Chief Executive Officer

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857
Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Statement of Change in Equity

for the year ended March 31, 2021

(₹ in Lakhs)

a) Equity Share Capital				
Balance as at April 1, 2019				796.29
Add/(Less): Changes in Equity Share Capital during the year				-
Balance as at March 31, 2020				796.29
Add/(Less): Changes in Equity Share Capital during the year				-
Balance as at March 31, 2021				796.29
	Reserves & Surplus			Total
	Securities Premium Account	General Reserve	Retained Earnings	
b) Other Equity				
Balance as at April 1, 2019	6,880.31	4,231.17	45,647.80	56,759.28
Profit for the Year	-	-	8,006.53	8,006.53
Remeasurement Gain on defined benefit plans (Net of Taxes)	-	-	7.16	7.16
Total Comprehensive Income	-	-	8,013.69	8,013.69
Final Dividend Paid	-	-	(2,385.74)	(2,385.74)
Dividend Distribution Tax on Final Dividend	-	-	(490.39)	(490.39)
Balance as at March 31, 2020	6,880.31	4,231.17	50,785.36	61,896.84
Profit for the Year	-	-	18,089.93	18,089.93
Remeasurement Gain on defined benefit plans (Net of Taxes)	-	-	10.87	10.87
Total Comprehensive Income	-	-	18,100.80	18,100.80
Final Dividend Paid	-	-	(2,385.74)	(2,385.74)
Balance as at March 31, 2021	6,880.31	4,231.17	66,500.42	77,611.90

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Ankit Dhelia
Partner
Membership No. 069178
Place: Kolkata
Date: May 31, 2021

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452
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For and on behalf of the Board of Directors

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Dinesh Kumar Lodha
Chief Executive Officer

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857
Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

1. CORPORATE AND GENERAL INFORMATION

Rupa & Company Limited (the Company) was incorporated in India in the year 1985 and having its registered office in Metro Towers, 8TH Floor, 1, Ho Chi Minh Sarani, Kolkata - 700071.

The Company is a Public Limited Company domiciled in India & is incorporated under provision of Companies Act applicable in India. Its shares are listed on the National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd. The Company is primarily engaged in manufacture of hosiery products in knitted undergarments, casual wears and thermal wears. It also has a Power Generation Unit operated on Windmill process.

2. BASIS OF ACCOUNTING

2.1 Statement of Compliance

These Financial Statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The Financial Statements are approved for issue by the Company's Board of Directors at their meeting held on May 31, 2021.

2.2 Basis of Measurement

The Financial Statements have been prepared on historical cost basis, except for following:

- Financial assets and liabilities (including derivative instruments) that is measured at Fair value/ Amortised cost;
- Non-current assets held for sale – measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value.

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in (₹) has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

2.4 Use of Estimates and Judgements

The preparation of Financial Statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.5 Current Vs Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

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

All the other assets are classified as non-current.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

2.6 Adoption of New Accounting Standards

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Ministry of Corporate Affairs on July 24, 2020 notified the Companies (Indian Accounting Standards) Amendment Rules, 2020, thereby amending the Rules of 2015. The Company has applied the amendments in following accounting standards for the first time during the financial year 2020-21:

- IND AS 103- Business Combination
- IND AS 107-Disclosures to be made in respect of financial instruments
- IND AS 109-Financial reporting of financial assets and financial liabilities
- IND AS 116 -Accounting for Leases
- IND AS 1 & 8 -Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors
- IND AS 10 -Events after the Reporting Period
- IND AS 37 -Provisions, Contingent Liabilities and Contingent Assets

The amendments to accounting standards listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current and future periods.

3. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the Financial Statements are as given below. These accounting policies have been applied consistently to all the periods presented in the Financial Statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3.1 Inventories

Raw materials and packing materials are valued at 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 of raw materials is determined on weighted average basis including packing materials, accessories and dyes and chemicals.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of Work-in-progress (measured in kgs) is determined on weighted average basis and cost of work-in-progress (measured in pieces) and cost of finished goods is determined on Retail Sales Price Method.

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.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

3.2 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, cheques in hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

3.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in The Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

Deferred Tax

- Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.4 Property, Plant and Equipment

3.4.1. Recognition and Measurement

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, borrowing cost, if capitalization criteria is met, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.

- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.4.2. Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

3.4.3. Depreciation and Amortization

- Depreciation on Property, Plant and Equipment is provided under Straight Line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its Property, Plant and Equipment.

Class of Property, Plant and Equipment	Useful Lives estimated by the management (Years)
Factory Buildings	30
Non-factory Buildings	60
Plant and Equipments	10 to 15
Computer and Data Processing Equipments	3 to 6
Furniture and Fixtures	10
Vehicles	8
Office Equipments	5

- Each part of an item of Property, Plant And Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.
- The management has estimated, supported by independent assessment by professionals, the useful lives of certain plant and machinery as 10 years. These lives are lower than those indicated in schedule II of Companies Act, 2013.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation on assets built on leasehold land, which is transferrable to the lessor on expiry of lease period, is amortized over the period of lease.
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

3.4.4. Disposal of Assets

An item of Property, Plant And Equipment is derecognized 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 Property, Plant And Equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of Profit and loss.

3.4.5. Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

3.4.6. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production. Advances given towards acquisition or construction of Property, Plant And Equipment outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

3.5 Leases

3.5.1. Company as a lessor

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

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term

3.5.2. Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

(i) Right-of-use Assets (ROU Assets)

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.12 Impairment of non-financial assets.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.6 Revenue Recognition

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

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

The specific recognition criteria for revenue recognition are as follows:

3.6.1. Sale of goods

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

Certain contracts provide a customer with a right to return the goods within a specified period. The company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset (and corresponding adjustment to change in inventory) is also recognised for the right to recover products from a customer.

3.6.2. Sale of Services

In contracts involving the rendering of services, revenue is measured using the completed service method.

3.6.3. Sale of Power

Revenue from sale of Energy (Power) is recognised on the basis of Electrical Units generated net of transmission loss as applicable when no significant uncertainty as to measurability & collectability exists.

3.6.4. Interest Income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

3.6.5. Dividend Income

Dividend Income from investments is recognized when the Company's right to receive payment has been established

3.6.6. Other Operating Revenue

Export incentive and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received. Insurance & other claims, where quantum of accruals cannot be ascertained with reasonable certainty are recognized as income only when revenue is virtually certain which generally coincides with receipt / acceptance.

3.7 Employee Benefits

3.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

3.7.2. Post Employment Benefits

The Company operates the following post employment schemes:

➤ Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

➤ **Defined Contribution Plan**

Retirement benefits in the form of Provident and Pension Funds are defined contribution schemes and are charged to the statement of Profit and Loss of the period when the contributions to the respective funds are due. The Company has no obligation other than contributions to the respective funds. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the selected service.

3.8 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit or loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

3.9 Foreign Currency Transactions

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

3.10 Borrowing Cost

- Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
- Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. The Company considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of Profit and Loss in the period in which they are incurred.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

3.11 Interest in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

3.12 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.

3.12.1. Financial Assets

➤ Recognition and Initial Measurement

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➤ Classification and Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in four categories

- o Measured at Amortized Cost;
- o Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- o Measured at Fair Value Through Profit or Loss (FVTPL); and
- o Designated Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- o **Measured at Amortized Cost:** A debt instrument is measured at the amortized cost if both the following conditions are met:
 - The asset is held within a business model whose objective is achieved by both collecting 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 (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method.

- o **Measured at FVTOCI:** A debt instrument is measured at the FVTOCI if both the following conditions are met:
 - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
 - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of Profit and Loss in investment income.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

- **Measured at FVTPL:** FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.
 - **Equity Instruments measured at FVTOCI:** All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.
- **Derecognition**
- The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.
- **Impairment of Financial Assets**
- The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS-109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.12.2. Financial Liabilities

➤ **Recognition and Initial Measurement**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

➤ **Subsequent Measurement**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

➤ **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

➤ **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when 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. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

3.13 Impairment of Non-Financial Assets

- The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.14 Provisions, Contingent Liabilities and Contingent Assets

3.14.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and 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. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

➤ Onerous Contracts

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

3.14.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

3.14.3. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

3.15 Intangible Assets

Recognition and Measurement

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful economic lives.

Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

Amortization

The useful lives over which intangible assets are amortized are as under:

Assets	Useful Life (In Years)
Copyrights & Trade marks	10
Computer software	5

Disposal

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit & Loss.

Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

3.16 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the balance sheet. Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in Statement of Profit and Loss.

3.17 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the Chief Operating Decision Maker (CODM). An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Company and for which discrete financial information is available. Based on assessment of CODM in terms of Indian Accounting Standard – 108, the Company is predominantly engaged in a single segment of Garments & Hosiery goods and related services. The analysis of geographical segments is based on the areas in which customers of the Company are located.

3.18 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

3.19 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

- 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 economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

3.20 Significant accounting judgements and key sources of estimation

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the Financial Statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Extension and termination option in leases:** Extension and termination options are included in many of the leases. In determining the lease term the Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

This assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Company

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Assets (Investment in Subsidiaries):** Ind AS-36 requires the Company reviews its carrying value of investments in subsidiaries carried at cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for. The values in use (considering discounted cash flows) have been determined by external valuation experts based on management's financial projections. The determination of the value in use / fair value involves significant management judgement and estimates on the various assumptions including relating to growth rates, discount rates, terminal value, etc.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.
- **Estimation uncertainty relating to the global health pandemic on Covid-19:** The Company has taken into account all the possible impacts of Covid-19 in preparation of these standalone financial statements, including but not limited to its assessment of, liquidity and going concern assumption, the recoverability of property plant and equipments, receivables, intangible assets, cash and cash equivalent and investments. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone Financial Statements and believes that the impact of Covid-19 is not material to these Financial Statements and expects to recover the carrying amount of its assets. The impact of Covid-19 on the standalone Financial Statements may differ from that estimated as at the date of approval of these Standalone Financial Statements owing to the nature and duration of Covid-19.

3.21 New Standards / Amendments to Existing Standards / Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

On March 24, 2021, the MCA through notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose Financial Statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Current maturities of Long-Term borrowings shall be disclosed separately under the heading Short Term Borrowing.
- Security Deposits to be shown under the head of Other Non-Current Assets instead of Long-Term Loan & Advances.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, Key Managerial Personnel (KMP) and related parties, details of benami property held etc.
- Ratios - Following Ratios to be disclosed: -
 - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment
- Statement of Profit and Loss:
- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the Standalone Financial Statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

4(a). Property, Plant and Equipment

	Land		Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total
	Freehold	Leasehold						
Cost								
As at April 1, 2019	2,547.22	271.67	9,043.05	7,545.27	376.66	637.39	334.27	20,755.53
Additions	-	-	493.77	234.39	41.45	100.99	100.51	971.11
Disposals/ Withdrawals	-	271.67	-	-	-	25.72	0.08	297.47
As at March 31, 2020	2,547.22	-	9,536.82	7,779.66	418.11	712.66	434.70	21,429.17
Additions	-	-	525.78	447.76	43.89	126.16	81.31	1,224.90
Disposals/ Withdrawals/ Transfer	-	-	-	3.01	-	48.47	3.95	55.43
As at March 31, 2021	2,547.22	-	10,062.60	8,224.41	462.00	790.35	512.06	22,598.64
Depreciation								
As at April 1, 2019	-	9.66	599.00	2,889.35	163.76	206.75	170.15	4,038.67
Charge for the year	-	-	222.91	837.66	46.09	91.61	66.61	1,264.88
On Disposals/ Withdrawals / adjustments	-	9.66	-	-	-	10.86	0.08	20.60
As at March 31, 2020	-	-	821.91	3,727.01	209.85	287.50	236.68	5,282.95
Charge for the year	-	-	232.99	423.26	47.29	89.30	66.84	859.68
On Disposals/ Withdrawals / adjustments/Transfer	-	-	-	2.62	-	46.01	3.08	51.71
As at March 31, 2021	-	-	1,054.90	4,147.65	257.14	330.79	300.44	6,090.92
Net Block								
As at March 31, 2020	2,547.22	-	8,714.91	4,052.65	208.26	425.16	198.02	16,146.22
As at March 31, 2021	2,547.22	-	9,007.70	4,076.76	204.86	459.56	211.62	16,507.72

Note:

- Term Loan from Banks amounting to ₹ 1,906.19/- Lakhs is secured by first charge by way of hypothecation of specific plant & machinery of Domjur, West Bengal and Tirupur Unit, Tamil Nadu. Cash Credit including Working Capital Demand Loan and Packing Credit amounting to ₹ 8,545.66/- Lakhs are secured by second charge of movable assets of the Company and immovable fixed assets of Domjur Unit, West Bengal.
- During the FY 2019-20, pursuant to adoption of Ind AS 116 "Leases", Company has reclassified Leasehold Land to Right of Use Asset which was earlier classified under Property, Plant and Equipment as per Ind AS 17 "Leases"
- Refer Note No- 36 for disclosure on Contractual commitment for acquisition of property, plant and equipment.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

4(b). Right to use Assets

	Leasehold Land	Buildings	Total
Cost			
As at April 1, 2019 (on adoption of IND AS 116)	271.67	1,032.24	1,303.91
Additions	-	-	-
Disposals/ Withdrawals	-	-	-
As at March 31, 2020	271.67	1,032.24	1,303.91
Additions	-	1,064.40	1,064.40
Disposals/ Withdrawals	-	651.44	651.44
As at March 31, 2021	271.67	1,445.20	1,716.87
Depreciation			
As at April 1, 2019	9.66	-	9.66
Charge for the period	3.21	224.54	227.75
On Disposals/ Withdrawals/ adjustments/ Transfer	-	-	-
As at March 31, 2020	12.87	224.54	237.41
Charge for the period	3.22	203.62	206.84
On Disposals/ Withdrawals/ adjustments/ Transfer	-	372.34	372.34
As at March 31, 2021	16.09	55.82	71.91
Net Right of Use Assets			
As at March 31, 2020	258.80	807.70	1,066.50
As at March 31, 2021	255.58	1,389.38	1,644.96

5. Intangible Assets

	Computer Software
Cost	
As at April 1, 2019	384.69
Additions	0.99
As at March 31, 2020	385.68
Additions	0.34
As at March 31, 2021	386.02
Amortisation	
As at April 1, 2019	193.67
Charge for the year	75.28
As at March 31, 2020	268.95
Charge for the year	65.84
As at March 31, 2021	334.79
Net Block	
As at March 31, 2020	116.73
As at March 31, 2021	51.23

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

6. Investments in Subsidiaries

	Number of Shares	
	March 31, 2021	March 31, 2020
In Equity Shares (at cost unless otherwise stated)		
(Unquoted)		
Imoogi Fashions Pvt. Ltd. (Equity Shares of ₹ 10 each)	10,000	10,000
Euro Fashion Inners International Pvt. Ltd. (Equity Shares of ₹ 10 each)	41,00,000	41,00,000
Oban Fashions Pvt. Ltd. (Equity Shares of ₹ 10 each)	99,10,000	99,10,000
Rupa Fashions Pvt. Ltd. (Equity Shares of ₹ 10 each)	50,000	50,000
Rupa Bangladesh Pvt. Ltd. (Equity Shares of BDT 10 each)	1,59,004	1,59,004
In Preference Shares (at cost unless otherwise stated)		
Oban Fashions Pvt. Ltd. (0.1% Non-Cumulative Compulsorily Convertible Preference Shares of ₹ 100 each)	49,50,000	49,50,000

	Amount	
	March 31, 2021	March 31, 2020
In Equity Shares (at cost unless otherwise stated)		
Imoogi Fashions Pvt. Ltd.	1.00	1.00
Euro Fashion Inners International Pvt. Ltd.	410.00	410.00
Oban Fashions Pvt. Ltd.	991.00	991.00
Rupa Fashions Pvt. Ltd.	5.00	5.00
Rupa Bangladesh Pvt. Ltd.	13.37	13.37
In Preference Shares (at cost unless otherwise stated)		
Oban Fashions Pvt. Ltd.	4,950.00	4,950.00
	6,370.37	6,370.37

7. Investments

	Number of Shares/Units	
	March 31, 2021	March 31, 2020
In Equity Instruments (at cost unless otherwise stated)		
(Unquoted)		
West Bengal Hosiery Park Infrastructure Limited (Equity Shares of ₹ 10 each)	1,800	1,800
	Amount	
	March 31, 2021	March 31, 2020
In Equity Instruments (at cost unless otherwise stated)		
(Unquoted)		
West Bengal Hosiery Park Infrastructure Limited	0.18	0.18
	0.18	0.18
Aggregate Carrying value of Unquoted Investments	0.18	0.18

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

8. Loans

	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
(Unsecured, considered good unless otherwise stated)				
Security deposits*	113.57	192.98	204.57	142.27
Loan to a Subsidiary**	-	-	716.81	105.65
Loan to Bodies Corporate	-	-	200.00	200.00
	113.57	192.98	1,121.38	447.92

* Dues from private companies in which any director is a director is ₹ 67.40/- Lakhs (March 31, 2020 ₹ 67.40/- Lakhs)

** To be utilised for business purpose

Note:

There are no outstanding debts from director or other officer of the company.

9. Other Financial Asset

	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Interest Accrued on Loan to a Subsidiary	-	-	26.64	4.59
Interest Accrued on Loan to Bodies Corporate	-	-	16.65	2.53
Interest Accrued on fixed deposit	-	0.25	64.25	-
Bank deposits with maturity of more than 12 months*	18.70	18.70	-	-
Others**	-	-	5.32	5.92
	18.70	18.95	112.86	13.04

*Held as lien by bank against bank guarantees

**Represents amount receivable from a Subsidiary towards Corporate Guarantee Commission

10. Income Tax Assets (Net)

	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Advance Tax (Net of Provision)	1,018.46	1,018.46	-	-
	1,018.46	1,018.46	-	-

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

11. Other Assets (Unsecured Considered)

	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Capital advances*	851.41	1,054.55	-	-
Prepaid Expenses [Refer Note 46(b)]	-	-	128.83	94.95
Advance against supply of goods & services^	-	-	295.72	508.33
Advance to Employees	-	-	77.68	60.08
Balances with Government Authorities	-	-	1,970.74	3,350.17
Claims & Refund Receivable	-	-	1,130.51	412.17
Sales Tax paid under dispute	-	-	-	20.54
Other advances	-	-	4.21	4.21
	851.41	1,054.55	3,607.69	4,450.45

*Includes advance amounting to ₹ 400.92 Lakhs (March 31, 2020: ₹ 400.92 Lakhs) given to West Bengal Housing Infrastructure Development Corporation (WB HIDCO) towards offer for allotment of land on a freehold basis. WB HIDCO later decided to allot land on leasehold basis which was challenged by the company in the Hon'ble Calcutta High Court. The Hon'ble High Court at Calcutta has vide its order dated February 10, 2020 decided the Writ petition in favour of the Company, in its appellate jurisdiction. WB HIDCO has filed special writ petition against the order of High Court before the Hon'ble Supreme Court of India and the same is pending before the Hon'ble Court.

^Includes advance amounting to ₹ 0.85 Lakhs (March 31, 2020: ₹ 23.11 Lakhs) given to Related Party.

12. Inventories

	March 31, 2021	March 31, 2020
(Valued at lower of cost and net realisable value)		
Raw Material including packing materials	6,481.52	4,068.88
Finished Goods	17,573.12	27,718.29
Work in Progress	13,523.98	12,398.09
	37,578.62	44,185.26

Mode of Valuation - Ref Note No. 3.1 of Accounting policy.

Note : The above includes Stock in transit

Work-in-Progress	55.06	-
Finished Goods	60.62	849.62

Note : Inventories are hypothecated/pledged against borrowings (Refer Note No. 24)

13. Trade Receivable

	Current	
	March 31, 2021	March 31, 2020
Secured	2,686.39	2,390.12
Unsecured	30,403.77	20,627.26
Trade Receivables which has significant increase in Credit Risk	-	-
Trade Receivable-Credit Impaired	149.04	38.54
	33,239.20	23,055.92
Impairment Allowance (Allowance for Bad and Doubtful Debt)		
Unsecured	-	-
Trade Receivables which has significant increase in Credit Risk	-	-
Trade Receivable-Credit Impaired	149.04	38.54
	149.04	38.54
	33,090.16	23,017.38

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

Notes:

- No Trade Receivables due by directors and its officers of the Company.
- The above amount includes ₹ 84.38 Lakhs (March 31, 2020: ₹ 294.51 Lakhs) due from its Related Parties.
- Allowances for credit losses of trade receivables has been estimated based on ageing of receivables and customer related specific information on specific case basis. Refer Note No. 48(b)(a)(i) for details in movement of loss allowance.
- Trade Receivables are hypothecated/ pledged against borrowings (Refer Note No. 24)

14. Cash and Cash Equivalents

	March 31, 2021	March 31, 2020
Cash in hand	13.85	15.00
Balances with banks		
Current accounts	50.49	13.50
Cash Credit Account	211.77	68.68
	276.11	97.18

15. Other Bank Balances (Other than Note No. - 14)

	March 31, 2021	March 31, 2020
Unpaid dividend accounts	14.01	11.39
Bank deposits maturity for more than 3 months but less than 12 months*	11,505.42	28.65
	11,519.43	40.04

*Held as lien by bank to the extent ₹ 45.55 Lakhs (March 31, 2020: ₹ 28.65 Lakhs)

16. Equity Share Capital

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital				
Equity Shares of ₹ 1/- each	20,00,00,000	2,000.00	20,00,00,000	2,000.00
	20,00,00,000	2,000.00	20,00,00,000	2,000.00
Issued Share Capital				
Equity Shares of ₹ 1/- each	7,97,33,560	797.34	7,97,33,560	797.34
	7,97,33,560	797.34	7,97,33,560	797.34
Subscribed & Paid-up Share Capital				
Equity Shares of ₹ 1/- each	7,95,24,560	795.24	7,95,24,560	795.24
Equity Shares forfeited of ₹ 1/-each, Paid up ₹ 0.50 per Share	2,09,000	1.05	2,09,000	1.05
	7,97,33,560	796.29	7,97,33,560	796.29

a) Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

b) Terms/ Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

For the year ended March 31, 2021 the Company has proposed final dividend of ₹ 5/- per share (March 31, 2020: ₹ 3/- per Share) including a special dividend of ₹ 2/- per share as a mark of gratitude to the shareholders during pandemic subject to approval of members in the ensuing Annual General Meeting.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

c) Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of ₹ 1/- each, fully paid up				
Ullas Sales Promotion LLP (Formerly known as Ullas Sales Promotion Limited)	2,16,30,860	27.20%	2,16,30,860	27.20%
Prahlad Rai Agarwala*	1,67,63,656	21.08%	1,67,63,656	21.08%
Ziyan Developers LLP	86,50,000	10.88%	86,50,000	10.88%

* holding shares jointly with Ghanshyam Prasad Agarwala and Kunj Bihari Agarwal, on behalf of a partnership firm

As per records of the Company, including its register of shareholders/members as on March 31, 2021, the above shareholding represents legal ownership of shares.

- e) The Company has neither issued bonus shares nor has bought back any shares during last 5 years
- f) No ordinary shares have been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment as at the Balance Sheet date.
- g) No securities convertible into Equity/Preference shares have been issued by the Company during the year.
- h) No calls are unpaid by any Director or Officer of the Company during the year.

17. Other Equity

	Ref. Note	March 31, 2021	March 31, 2020
Securities Premium Reserve	17.1	6,880.31	6,880.31
General Reserve	17.2	4,231.17	4,231.17
Retained Earnings	17.3	66,500.42	50,785.36
		77,611.90	61,896.84

Changes in Other Equity

17.1 Securities Premium Reserve

	March 31, 2021	March 31, 2020
Opening balance	6,880.31	6,880.31
Changes during the year	-	-
	6,880.31	6,880.31

17.2 General Reserve

	March 31, 2021	March 31, 2020
Opening balance	4,231.17	4,231.17
Changes during the year	-	-
	4,231.17	4,231.17

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

17.3 Retained Earnings

	March 31, 2021	March 31, 2020
Opening balance	50,785.36	45,647.80
Add: Profit for the year	18,089.93	8,006.53
Less: Remeasurement of Defined Benefit Plans (Net of Tax)	10.87	7.16
Equity Dividend	(2,385.74)	(2,385.74)
Tax on Equity Dividend	-	(490.39)
	66,500.42	50,785.36

Nature and purpose of other reserves

i) Securities Premium Reserve

Securities Premium Reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

ii) General Reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

iii) Retained Earnings

This reserves represents the cumulative profit of company and effects of remeasurement of defined benefit obligation. This reserves can be utilised in accordance with the provisions of Companies Act, 2013.

iv) Remeasurement of Defined benefit plans

Remeasurement of defined benefit plans comprises actuarial gains and losses and return on plan asset (excluding interest income) which are recognised in other comprehensive income and then immediately transferred to retained earnings.

18. Non Current Borrowings

	Non-Current March 31, 2021	March 31, 2020
Secured Term Loan		
Rupee loan from Bank	1,906.19	1,399.78
Less: Current portion of Long Term Borrowings (Disclosed under other Financial Liabilities, refer Note No. 20)	552.10	309.87
	1,354.09	1,089.91

Note:

- There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.
- Terms & conditions**
 - Term Loan with a balance of ₹ 562.60 Lakhs (March 31, 2020: ₹ 812.65 Lakhs) is repayable in 9 equal quarterly installments of ₹ 62.51 Lakhs and carries interest @ 8.90% to 9.15% per annum (March 31, 2020: @ 8.90% to 9.15% per annum). The said Term Loan having sanction limit of ₹ 1,150.00 Lakhs is secured by first charge by way of hypothecation of specific Plant and Machinery funded by bank.
 - Term Loan with a balance of ₹ 685.36 Lakhs (March 31, 2020: ₹ 548.90 Lakhs) is repayable in 65 equal monthly installments of ₹ 10.45 Lakhs and carries interest @ 9% per annum (March 31, 2020: 9% per annum). The said Term Loan having sanction limit of ₹ 1,445.00 Lakhs is secured by first charge by way of hypothecation of specific Plant and Machinery funded by bank.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

- c) Term Loan with a balance of ₹ 658.23 Lakhs (March 31, 2020: ₹ 38.23 Lakhs) is repayable in 14 equal quarterly installments of ₹ 43.88 Lakhs and one quarterly installment of ₹ 41.88 Lakhs and last installment of ₹ 2 Lakhs and carries interest @ 8.85% per annum (March 31, 2020: 8.85% per annum). The said Term Loan having sanction limit of ₹ 800.00 lakhs is secured by exclusive charge by way of hypothecation of specific Plant and Machinery funded by bank.
- d) No loans have been guaranteed by the directors and others.

19. Lease Liabilities

	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Maturities of Lease Obligations (Refer Note No. 41)	1,360.13	686.39	71.48	164.47
	1,360.13	686.39	71.48	164.47

20. Other Financial Liabilities

	Current	
	March 31, 2021	March 31, 2020
Current Maturities of Long Term Borrowings (Refer Note No. 18)	552.10	309.87
Interest Accrued but not due on borrowings	23.58	32.85
Book Overdraft in current Account	33.21	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	14.01	11.39
Security Deposits from customers	4,218.12	3,925.22
Capital Creditors	114.75	57.51
Dealers Incentive payable	1,178.03	1,879.16
Payable to employees	837.40	1,034.25
Others	318.93	391.50
	7,290.13	7,641.75

21. Provisions

	Current	
	March 31, 2021	March 31, 2020
Provision for Gratuity (Refer Note No. 40)	262.47	253.41
Provision for Litigation, Claims & Contingencies	70.55	70.55
	333.02	323.96

The Company has estimated the provision for pending litigation, claims and demands based on the assessment of probability for these demands being crystallising against the Company in due course.

21.1 Movement of Provision

Balance as at April 1, 2019	70.55
Provision utilized during the year	-
As at March 31, 2020	70.55
Provision utilized during the year	-
As at March 31, 2021	70.55

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

22. Deferred Tax Liabilities (Net)

	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liabilities		
Arising on account of		
Difference between tax Depreciation and Depreciation / Amortisation charged for the financial reporting	1,145.02	1,026.73
	1,145.02	1,026.73
Less: Deferred Tax Assets		
Arising on account of :		
Provision for Doubtful Debt & Advances	37.51	9.70
Provision for Gratuity	66.06	63.78
Provision for Litigation, Claims & Contingencies	17.76	17.76
Other	10.63	10.86
	131.96	102.10
	1,013.06	924.63

22.1 Movement in deferred tax assets and liabilities during the year ended March 31, 2020

	As at April 1, 2019	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2020
Deferred Income Tax Liabilities				
Difference between tax Depreciation and Depreciation/ Amortisation charged for the financial reporting	1,485.97	(459.24)	-	1,026.73
A	1,485.97	(459.24)	-	1,026.73
Deferred Income Tax Assets				
Provision for Doubtful Debt & Advances	12.41	(2.71)	-	9.70
Provision for gratuity	76.27	(10.08)	(2.41)	63.78
Provision for Litigation, Claims & Contingencies	24.65	(6.89)	-	17.76
Others	-	10.86	-	10.86
B	113.33	(8.82)	(2.41)	102.10
Deferred Tax Liabilities (Net)	(A-B)	1,372.64	2.41	924.63

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

22.2 Movement in deferred tax assets and liabilities during the year ended March 31, 2021

	As at April 1, 2020	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2021
Deferred Income Tax Liabilities				
Difference between tax Depreciation and Depreciation/ Amortisation charged for the financial reporting	1,026.73	118.29	-	1,145.02
A	1,026.73	118.29	-	1,145.02
Deferred Income Tax Assets				
Provision for Doubtful Debt & Advances	9.70	27.81	-	37.51
Provision for gratuity	63.78	5.94	(3.66)	66.06
Provision for Litigation, Claims & Contingencies	17.76	-	-	17.76
Others	10.86	(0.23)	-	10.63
B	102.10	33.52	(3.66)	131.96
Deferred Tax Liabilities (Net)	(A-B)	924.63	84.77	3.66
				1,013.06

23. Other Liabilities

	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Deferred Revenue (Refer Note No. 49)	171.99	202.67	30.67	30.67
Advances from customers	-	-	21.38	68.69
Statutory dues payable	-	-	492.03	435.25
	171.99	202.67	544.08	534.61

24. Current Borrowing

	Current	
	March 31, 2021	March 31, 2020
Loan Repayable on demand		
From banks:		
Cash Credit	1,163.51	2,251.44
Working Capital Demand Loans	6,382.15	10,231.38
Packing Credit	1,000.00	-
	8,545.66	12,482.82

Terms & conditions :

- Cash Credit including Working Capital Demand Loan & Packing Credit are secured by hypothecation of inventories, book debts and other current assets of the Company and further secured by second charge of movable and immovable fixed assets of Domjur Unit, West Bengal.
- Working Capital Demand Loans carries interest @3.00% to 10.00% p.a. (March 31, 2020: @7.05% to 10% p.a.)
- Cash Credit are repayable on demand and carries interest @7.00% to 11.00% p.a. (March 31, 2020: @8.50% to 11.50% p.a.)
- No loans have been guaranteed by the directors and others.
- There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

25. Trade Payables

	Current	
	March 31, 2021	March 31, 2020
Due to micro and small enterprises (Refer Note No. 38)	1,154.36	-
Due to Creditors other than micro and small enterprises	13,626.01	12,128.64
	14,780.37	12,128.64

26. Current Tax Liabilities (Net)

	Current	
	March 31, 2021	March 31, 2020
Provisions for Taxation (Net of Payments)	1,945.91	-
	1,945.91	-

27. Revenue from Operations

	March 31, 2021	March 31, 2020
Sale of Products		
Finished Goods	1,23,088.88	90,948.34
Semi-Finished Goods	470.42	627.28
	1,23,559.30	91,575.62
Sale of services		
Service Income	2,237.14	2,168.05
	2,237.14	2,168.05
Other Operating Revenues		
Sale of Power	29.83	54.58
Scrap sale	159.48	138.40
Export Incentive	105.25	169.83
Deferred Revenue on Government Grant	30.68	33.63
	325.24	396.44
	1,26,121.68	94,140.11

A. Nature of goods and services

The following is a description of principal activities separated by reportable segments from which the Company generates its revenue

- The Company is engaged in the manufacturing of hosiery products and generates revenue from the sale of hosiery products and the same is only the reportable segment of the Company.

B. Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition.

	March 31, 2021	March 31, 2020
i) Primary Geographical Markets		
Within India	1,23,746.35	91,250.10
Outside India	2,050.09	2,493.57
	1,25,796.44	93,743.67
ii) (a) Major Products		
Hosiery Products	1,23,559.30	91,575.62
Others	-	-
	1,23,559.30	91,575.62

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

	March 31, 2021	March 31, 2020
ii) (b) Sale of Services		
Service Income	2,237.14	2,168.05
Others	-	-
	2,237.14	2,168.05
iii) Timing of Revenue		
At a point in time	1,25,796.44	93,743.67
Over time	-	-
	1,25,796.44	93,743.67
iv) Contract Duration		
Long Term	-	-
Short Term	1,25,796.44	93,743.67
	1,25,796.44	93,743.67

C. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

	March 31, 2021	March 31, 2020
Receivables, which are included in 'Trade receivables'	33,090.16	23,017.38
Contract assets	-	-
Contract liabilities (Refer Note No. 23)	21.38	68.69
	33,068.78	22,948.69

D. Other Information

	March 31, 2021	March 31, 2020
Transaction price allocated to the remaining performance obligations	Nil	Nil
The amount of revenue recognised in the current year that was included in the opening contract liability balance	68.69	84.04
The amount of revenue recognised in the current year from performance obligations satisfied fully or partially in previous years	Nil	Nil
Performance obligations- The Company satisfy the performance obligation on shipment/delivery.	Nil	Nil

Reconciliation of amount of revenue recognised in the Statement of Profit & Loss with Contracted Price

Particulars	March 31, 2021	March 31, 2020
Revenue as per Contracted Price	1,38,242.56	1,03,651.28
Adjustments		
Dealer incentive & Discount	12,446.12	9,907.61
Revenue from Contract with Customers	1,25,796.44	93,743.67

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

28. Other Income

	March 31, 2021	March 31, 2020
Interest Income		
On Bank deposits	180.51	12.80
On Receivable	53.66	98.64
On Loan to a Subsidiary Company	28.80	185.35
On Loan to Bodies Corporate	18.00	2.81
	280.97	299.60
Other Non-Operating Income		
Profit on disposal of fixed assets (Net)	1.51	47.34
Gain on Disposal/Retirement of Right of Use Assets	34.59	-
Excess provision/Liabilities written back	1.33	317.48
Net Foreign Exchange gain	0.03	116.14
Insurance Claim Received	110.54	3.81
Gain on settlement of Derivative Instruments	150.38	-
Miscellaneous Income*	20.49	6.58
	318.87	491.35
	599.84	790.95

*includes Corporate Guarantee Commission from a Subsidiary ₹ 5.32 Lakhs (March 31, 2020: ₹ 5.93 Lakhs)

29. Cost of Material Consumed

	March 31, 2021	March 31, 2020
Opening inventory	4,068.88	3,334.94
Add: Purchases	50,381.29	46,759.68
Less: Inventory at the end of the year	6,481.52	4,068.88
	47,968.65	46,025.74
Details Of Material Consumed		
Yarn/Than	34,016.84	32,756.41
Packing Materials, Accessories and Other Material	13,951.81	13,269.33
	47,968.65	46,025.74

30. Changes in Inventories of Finished Goods and Work in Progress

	March 31, 2021	March 31, 2020
Opening Stock		
Finished Goods	27,718.29	20,005.62
Work in Progress	12,398.09	11,777.84
	40,116.38	31,783.46
Closing Stock		
Finished Goods	17,573.12	27,718.29
Work in Progress	13,523.98	12,398.09
	31,097.10	40,116.38
	9,019.28	(8,332.92)

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

31. Employee Benefit Expense

	March 31, 2021	March 31, 2020
Salaries, Wages and Bonus	4,640.34	5,297.42
Contribution to Provident and Other Funds	80.52	113.09
Gratuity*	73.59	81.09
Staff Welfare Expenses	17.03	28.49
	4,811.48	5,520.09

*For descriptive notes on disclosure of defined benefit obligation refer Note No. 40

32. Finance Costs

	March 31, 2021	March 31, 2020
Interest Expenses		
-On Borrowing	701.32	1,347.91
-On Income Tax	199.50	-
Amortization of Lease Liability	73.38	76.08
Bank Charges	50.37	57.23
	1,024.57	1,481.22
Less: Borrowing Cost capitalised under Capital Work in Progress	(80.50)	-
	944.07	1,481.22

33. Depreciation & Amortisation Expense

	March 31, 2021	March 31, 2020
Depreciation on Property, Plant & Equipment	859.68	1,264.88
Amortisation of Intangible assets	65.84	75.28
Charge for Right to Use Assets	206.84	227.76
	1,132.36	1,567.92

34. Other Expenses

	March 31, 2021	March 31, 2020
Consumption of Stores and Spares	101.43	72.22
Sub-contracting/Job Worker expenses	24,035.81	23,027.80
Power & Fuel	1,400.27	1,370.71
Freight outwards and Forwarding expenses	2,257.88	1,899.33
Rent	98.68	89.00
Rates and Taxes	122.44	101.07
Insurance	193.19	185.75
Repairs and Maintenance:		
- Plant and Machinery	350.69	251.63
- Building and others	353.05	210.71
Advertising	5,211.48	6,853.44
Sales Promotion	14.75	43.86
Business Convention	390.70	458.20
Brokerage	1,692.34	1,094.99
Travelling and Conveyance	582.24	1,002.03

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

	March 31, 2021	March 31, 2020
Communication Costs	93.99	114.04
Legal and Professional fees	262.39	252.41
Directors' Sitting Fees & Commision	69.95	58.90
Payment to Auditor (refer note below)	30.15	30.91
Bad Debts/ Advance Written off	18.39	37.52
Provision for Doubtful Trade Receivables	110.50	3.03
Royalty on Sales	8.14	8.95
Contribution for CSR activities (Refer Note No.46)	276.60	224.93
Miscellaneous expenses	868.92	1,074.74
	38,543.98	38,466.17
Note:		
Payment to Auditor		
For Audit Fees	17.00	17.00
For Limited Review Fees	12.00	12.00
For Others	0.80	1.50
Out of Pocket Expenses	0.35	0.41
	30.15	30.91

35. Tax Expense

	March 31, 2021	March 31, 2020
Current Tax for the year	6,127.00	2,646.73
Deferred Tax for the year	84.77	(450.42)
Tax Expense for current year	6,211.77	2,196.31
Income Tax for earlier years	-	-
Tax Expense in Statement of Profit & Loss	6,211.77	2,196.31

Reconciliation of estimated Income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Comprehensive Income

	March 31, 2021	March 31, 2020
Income before Income taxes	24,301.70	10,202.84
Indian Statutory Tax Rate u/s 115BAA of Income Tax Act, 1961	25.17%	25.17%
Estimated Income tax expenses	6,116.25	2,567.85
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense:		
Expenses Disallowed for tax purpose	119.45	56.20
Deductions allowable under Income Tax Act	(59.87)	-
Tax Payable at different Rate	-	(11.51)
Change in Effective Tax Rate	-	(384.01)
Others	35.94	(32.22)
	95.52	(371.54)
Income Tax expense in the Statement of Profit and Loss	6,211.77	2,196.31

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

36. Capital and Other Commitments

	March 31, 2021	March 31, 2020
Estimated amount of contracts remaining to be executed and not provided for (Net of Advances)	1,229.13	1,299.06

37. a) Contingent Liabilities & Contingent Assets

	March 31, 2021	March 31, 2020
Demands/claims by various government authorities and others not acknowledged as debts and contested by the government		
Sales Tax Matters [net of amount deposited under dispute Nil/(March 31, 2020: ₹ 20.53 Lakhs)]	-	143.33
Bank Guarantees outstanding	947.34	747.34
Guarantees Given to Bank		
- For Subsidiary (For loan Outstanding ₹ 4,092.27 Lakhs (March 31, 2020: ₹ 4,025.96 Lakhs)	3,550.00	3,550.00
- For Others	200.00	200.00
Letter of Credit Outstanding	-	847.32
During the year 2013-14, the Company had challenged, before the Hon'ble High Court of Calcutta, the imposition of entry tax by the State Government of West Bengal on receipt of materials from outside the state on the ground that such imposition of entry tax is ultra vires/unconstitutional. The Company has received a favourable interim order dated June 5, 2013 and the matter is presently sub judice. Accordingly, the liability of ₹ 914.72 Lakhs (March 31, 2020: ₹ 820.71 Lakhs) (including interest) has not been provided in books of accounts.	914.72	820.71

Note:

The amount shown above represents the best possible estimate arrived at on the basis of available information. The uncertainties are dependent on outcome of different legal processes. The timing of future cash flows will be determinable only on receipt of judgements/decisions pending with various forums/authorities. The Company does not expect any reimbursements against above

- b) The Code on Social Security, 2020 (Code) related to various employee benefits received Presidential assent in September, 2020 and has been published in the Gazette of India. However, the date on which the Code will come in effect has not been notified and the final rules/ interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

38. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 included in Trade payables

	March 31, 2021	March 31, 2020
Principal amount remaining unpaid to any supplier at the end of accounting year	1,154.36	-
Interest due on above	-	-
	1,154.36	-
Amount of interest paid by the Company to the suppliers in terms of Section 16 of the MSMED Act, 2006 alongwith amount paid to the suppliers beyond the respective due date	-	-
Amount of interest due and payable for the year of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act	-	-
Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of this Act	-	-

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

39. Dividend

The Board of Directors at its meeting held on May 31, 2021 have recommended a payment of final dividend of ₹ 5/- per equity share (500%) of face value of ₹ 1/- each including a special dividend of ₹ 2/- per share as a mark of gratitude to the shareholders during pandemic for the financial year ended March 31, 2021. The same amounts to ₹ 3,976.23 Lakhs. The same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

40. Employee Benefit (Defined Benefit Plan)

The Company has a Defined Benefit Gratuity plan. Every employee who has completed at least five years or more of service is entitled to Gratuity on terms as per the provisions of The Payment of Gratuity Act, 1972. The Company has got an approved gratuity fund which has taken an insurance policy with Life Insurance Corporation of India (LIC) to cover the gratuity liabilities.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the plan.

40(a)

	March 31, 2021	March 31, 2020
Change in Projected Benefit Obligations		
Obligations at beginning of the year	481.46	413.58
Current Service Cost	56.84	64.87
Past Service Cost	-	-
Interest Cost	33.70	31.85
Benefits settled	(21.78)	(21.12)
Actuarial (gain) /loss	(28.88)	(7.72)
Obligations at end of the year	521.34	481.46

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

40(b)

	March 31, 2021	March 31, 2020
Change in Plan Assets		
Plan assets at beginning of the year, at fair value	228.05	195.33
Interest Income	16.95	15.63
Remeasurement - Return on Assets	(14.35)	1.85
Contributions	50.00	36.36
Benefits Settled	(21.78)	(21.12)
Plan assets at end of the year	258.87	228.05

40(c)

	March 31, 2021	March 31, 2020
Net Defined Benefit Liability / (Asset)		
Present value of defined benefit obligation at the end of the year	521.34	481.46
Fair value of plan assets at the end of the year	258.87	228.05
Net Liability/(Asset) recognised in the Balance Sheet	262.47	253.41

40(d)

	March 31, 2021	March 31, 2020
Expenses recognised in Statement of Profit and Loss		
Service Cost	56.84	64.87
Interest Cost (Net)	16.75	16.22
Total expense recognised in Statement of Profit and Loss	73.59	81.09

40(e)

	March 31, 2021	March 31, 2020
Re-measurement (gains) / losses in OCI		
Actuarial (gain) / loss due to financial assumption changes	8.31	38.09
Actuarial (gain) / loss due to experience adjustments	(37.19)	(45.81)
Return on plan assets (greater)/less than discount rate	14.35	(1.85)
Total amount routed through OCI	(14.53)	(9.57)

40(f) The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2021	March 31, 2020
Actuarial (gain) / loss due to experience adjustments		
Investments with insurer	100%	100%

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

40(g) The principal assumptions used in determining gratuity benefit obligations for the Company's plans are shown below:

	March 31, 2021	March 31, 2020
Discount Rate	6.90%	7.00%
Salary Escalation Rate	6.00%	6.00%
Mortality Rate	IALM (2012-14) table	IALM (2012-14) table
Withdrawal Rate	1% to 20%	1% to 20%

40(h) A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is as shown below:

	Sensitivity	March 31, 2021		March 31, 2020	
		Increase	Decrease	Increase	Decrease
Effects on Defined Benefit Obligation due to change in					
Discount Rate	1%	482.35	565.97	443.98	524.54
Further salary increase	1%	556.52	489.55	516.97	449.66
Withdrawal Rates	1%	526.05	515.97	486.17	476.06

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

40(i) The average duration of the defined benefit plan obligation at the end of the reporting period is 5.47 years (March 31, 2020: 5.68 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows :

Expected benefits payment for the year ending on	
March 31, 2022	47.77
March 31, 2023	35.35
March 31, 2024	44.51
March 31, 2025	38.96
March 31, 2026	50.06
April 1, 2026 onwards	228.37

40(j) Defined Contribution Plan

	March 31, 2021	March 31, 2020
Contribution to Provident/pension funds (Refer Note No. 31)	80.52	113.09

41. Leases

- I. The Company has entered into agreements for taking on lease certain offices/ manufacturing units / warehouses on lease and licence basis. The lease term is for a period ranging from 3 to 30 years, on fixed rental basis with escalation clauses in the lease agreements. In addition to the above, the Company has certain leasehold land under finance lease arrangements for terms ranging from 86 to 90 years which has been reclassified from property, plant and equipment to right of use assets during the previous year.

The changes in the carrying value of right of use assets for the year ended March 31, 2021 are disclosed in Note No. 4(b).

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

II. Income / Expenses recognised in the Statement of Profit and Loss:

	March 31, 2021	March 31, 2020
Other Income		
Gain on retirement of Right of Use Assets	34.59	-
Rent		
Expense relating to short-term and low value leases	98.68	89.00
Finance Cost		
Interest expense on lease liabilities	73.38	76.08
Depreciation and Impairment Losses		
Depreciation on Right-of-Use Assets	206.84	227.75

Total cash outflow for leases for the period year ended March 31, 2021 is ₹ 243.35 Lakhs (March 31, 2020 : ₹ 257.46 Lakhs)

III. Contractual Maturities of Lease Liabilities

As per the requirement of Ind AS-107, maturity analysis of lease liabilities have been shown under maturity analysis for financial liabilities under Liquidity risk [Refer Note No. 48(b)(i)]. The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

	March 31, 2021
Within one year	163.20
After one year but not more than five years	710.60
More than five years	1,532.88

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligation related to lease liabilities as and when they fall due.

IV. Movement in Lease Liabilities

	March 31, 2021
Balance as at April 1, 2020	850.86
Additions during the year	1,064.40
Derecognised on account of Termination of Lease	313.68
Finance Cost accrued during the year	73.38
Payment of Lease Liabilities for the year	243.35
Balance as at March 31, 2021	1,431.61

42. Earning Per Share

	March 31, 2021	March 31, 2020
Profit as per Statement of Profit & Loss attributable to Equity Shareholders (a)	18,089.93	8,006.53
Weighted average number of Equity Shares (in number) (b)	7,95,24,560	7,95,24,560
Basic & Diluted Earnings Per Share (a/b) (Nominal Value - ₹ 1/- per share)	22.75	10.07

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

43. Related Party Disclosure

Names of related parties and related party relationship

Related parties where control exists

Related Parties which exercises Significant influence over the Company (Forming Part of Promotor Group)	Ullas Sales Promotion LLP (Previously known as Ullas Sales Promotion Ltd)(w.e.f. August 21, 2019)
Subsidiary Companies	Euro Fashion Inners International Pvt. Ltd. Imoogi Fashions Pvt. Ltd. Oban Fashions Pvt Ltd Rupa Fashions Private Limited Rupa Bangladesh Private Limited

Related parties with whom transactions have taken place during the year

Key Management Personnel	Mr. Prahlad Rai Agarwala	Chairman
	Mr. Ghanshyam Prasad Agarwala	Vice Chairman
	Mr. Kunj Bihari Agarwal	Managing Director
	Mr. Ramesh Agarwal	Whole-time Director-cum-Chief Financial Officer
	Mr. Mukesh Agarwal	Whole-time Director
	Mr. Niraj Kabra	Executive Director
	Mr. Dinesh Kumar Lodha	Chief Executive officer
	Mr. Ashok Bhandari	Independent Director
	Mr. Dipak Kumar Banerjee	Independent Director
	Mr. Dharam Chand Jain	Independent Director
	Mr. Vinod Kumar Kothari	Independent Director
	Mr. Sushil Patwari	Independent Director
	Mrs. Alka Devi Bangur	Independent Director
	Mr. Kundan Kumar Jha	Company Secretary
Relatives of Key Management Personnel	Mr. Suresh Agarwal	Son of Mr. Prahlad Rai Agarwala
	Mr. Manish Agarwal	Son of Mr. Ghanshyam Prasad Agarwala
	Mr. Ravi Agarwal	Son of Mr. Kunj Bihari Agarwal
	Mr. Vikash Agarwal	Son of Mr. Kunj Bihari Agarwal
	Mr. Rajnish Agarwal	Son of Mr. Ghanshyam Prasad Agarwala
	Mr. Siddhant Agarwal	Grand-Son of Mr. Prahlad Rai Agarwala
	Mrs. Rekha Patodia	Daughter of Mr. Prahlad Rai Agarwala
	Mrs. Shanti Devi Agarwal	Wife of Mr. Prahlad Rai Agarwala
	Mrs. Pushpa Devi Agarwal	Wife of Mr. Ghanshyam Prasad Agarwala
	Mrs. Lalita Devi Agarwal	Wife of Mr. Kunj Bihari Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Ramesh Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Mukesh Agarwal
	Mrs. Shalini Agarwal	Wife of Mr. Vikash Agarwal
	Mrs. Sudha Agarwal	Wife of Mr. Suresh Agarwal
	Mrs. Sarita Patwari	Daughter of Mr. Ghanshyam Prasad Agarwala

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

Enterprises owned or significantly influenced by key management personnel or their relatives	Salasar Projects and Estates Pvt. Ltd.
	Sidhant Flats & Apartments Pvt Ltd.
	Salasar Infrastructure Ltd.
	Sobhasaria Properties Pvt. Ltd
	Lambodar Hosiery Pvt. Ltd.
	Arrow-Link Stitchers Pvt. Ltd (w.e.f. April 22, 2019)
	Rupa Spinners Ltd.
	Salasar Developers & Garments Pvt Ltd.
	Bajrangbali Projects Ltd.
	Sidhant Textiles Pvt. Ltd.
	Ganesh Enclave Ltd.
	Gajkarna Projects Private Limited
	Ravi Global Pvt. Ltd.
	Kadambari Impex & Agency Pvt. Ltd.
	Prahlad Rai Suresh Kumar - HUF
	Suresh Kumar Agarwal - HUF
	Mukesh Kumar Agarwal - HUF
	Ghanshyam Prasad Manish Kumar - HUF
	K B & Sons - HUF
	Ravi Agarwal - HUF
	Binod Hosiery
	Rajnish Enterprises Ltd.
	[Merged with Ullas Sales Promotion Pvt. Ltd (now converted to Ullas Sales Promotion LLP) w.e.f. August 21, 2019]
	Purvanchal Leasing Ltd.
	[Merged with Ullas Sales Promotion Pvt. Ltd (now converted to Ullas Sales Promotion LLP) w.e.f. August 21, 2019]
	Sidhant Credit Capital Ltd.
	Yashoda Hosiery Pvt. Ltd.. (w.e.f. April 22, 2019)
	Rupa Foundation
	Tushar Knittings LLP
Private companies in which directors or relatives are director or members	Bajrangbali Hosiery Pvt. Ltd.
	Salasar Processors Pvt. Ltd.
	Bajrangbali Textiles Pvt. Ltd.
	Metro Towers Office Owners Association
	Rupa Dyeing & Printing Pvt. Ltd.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

Related party transactions

Particulars	Party	Nature of relationship	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent	Mr. Prahlad Rai Agarwala	Key Management Personnel	1.69	3.38
	Mr. Ghanshyam Prasad Agarwala		1.37	1.37
	Mr. Kunj Bihari Agarwal		0.58	0.58
	Mr. Mukesh Agarwal		0.65	1.30
	Mrs. Pushpa Devi Agarwal	Relatives of Key Management Personnel	0.22	0.22
	Bajrangbali Hosiery Pvt. Ltd.	Private Companies in which directors or relatives are director or members	1.74	1.74
	Salasar Infrastructure Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	1.30	1.30
	Rupa Spinners Ltd.		1.30	1.30
	Salasar Developers & Garments Pvt. Ltd.		1.30	1.30
	Bajrangbali Projects Ltd.		1.30	1.30
	Sidhant Textiles Pvt. Ltd.		1.37	1.37
	Ganesh Enclave Ltd.		1.30	1.30
	Ravi Global Pvt. Ltd.		1.37	1.37
	Kadambari Impex & Agency Pvt. Ltd.		1.37	1.37
	Sobhasaria Properties Pvt. Ltd.		1.73	1.73
	Others		1.15	1.15
Payment of Lease Liability	Sobhasaria Properties Pvt Ltd		28.80	28.80
Salary & Perquisites	Mr. Prahlad Rai Agarwala [#]	Key Management Personnel	208.00	208.00
	Mr. Ghanshyam Prasad Agarwala		102.00	102.00
	Mr. Kunj Bihari Agarwal		102.00	102.00
	Mr. Ramesh Agarwal		108.00	102.00
	Mr. Mukesh Agarwal		108.00	102.00
	Mr. Dinesh Kumar Lodha		378.25	255.75
	Mr. Niraj Kabra		17.35	18.43
	Mr. Kundan Kumar Jha		24.53	23.08
	Mr. Manish Agarwal	Relatives of Key Management Personnel	100.80	72.00
	Mr. Ravi Agarwal		100.80	72.00
	Mr. Vikash Agarwal		100.80	72.00
	Mr. Rajnish Agarwal		100.80	72.00
	Mr. Suresh Agarwal		67.20	48.00
	Mr. Siddhant Agarwal		42.00	42.00
	Mrs. Rekha Patodia		20.99	17.34
Sitting Fees & Commission	Mr. Dipak Kumar Banerjee	Independent Director	14.65	12.85
	Mr. Dharam Chand Jain		6.60	7.50
	Mr. Vinod Kumar Kothari		13.00	12.60
	Mr. Sushil Patwari		13.65	10.05
	Mr. Ashok Bhandari		13.65	10.20
	Mrs. Alka Devi Bangur		8.40	5.70
Sales of Goods	Imoogi Fashions Pvt. Ltd.	Subsidiary Company	61.32	52.83
	Oban Fashions Pvt. Ltd.		152.57	165.34
Sale of Services	Imoogi Fashions Pvt. Ltd.		26.42	62.15

Corporate Overview

Governance Report

Financial Statements

Rupa & Company Limited / Annual Report 2020-21

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Party	Nature of relationship	For the year ended March 31, 2021	For the year ended March 31, 2020
Corporate Guarantee Commission	Oban Fashions Pvt. Ltd.		5.32	5.93
Interest Income	Oban Fashions Pvt. Ltd.		28.80	185.35
Royalty	Euro Fashion Inners International Pvt. Ltd.		8.14	8.95
Purchases	Oban Fashions Pvt. Ltd.		10.50	19.80
	Imoogi Fashions Pvt. Ltd.		56.71	31.15
	Bajarangbali Textiles Pvt. Ltd.	Private companies in which directors or relatives are director or members.	37.12	-
Rental Income	Bajarangbali Textiles Pvt. Ltd.		6.00	6.00
	Tushar Knittings LLP	Enterprises owned or significantly influenced by key management personnel or their relatives	3.60	3.60
Sub-contracting Expenses	Tushar Knittings LLP		37.22	46.33
	Arrow Link Stitchers Pvt. Ltd.		6,427.69	5,669.79
	Yashoda Hosiery Pvt. Ltd.		171.96	211.67
	Lambodar Hosiery Pvt. Ltd.		114.98	128.60
	Salasar Processors Pvt. Ltd.	Private companies in which directors or relatives are director or members.	940.70	775.93
	Rupa Dyeing & Printing Pvt. Ltd.		1,046.02	840.14
	Bajarangbali Textiles Pvt. Ltd.		26.21	20.17
Advertisement Expense	Gajkarna Projects Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives	4.48	3.94
CSR Expenditure	Rupa Foundation		25.35	46.68
Miscellaneous Expenses	Metro Towers Office Owners Association	Private companies in which directors or relatives are director or members.	46.97	49.60
Investment in Equity Shares	Rupa Bangladesh Private Limited	Subsidiary Company	-	13.37
	Rupa Fashions Private Limited		-	5.00
Investment in Preference Shares	Oban Fashions Pvt Ltd		-	4,950.00
Dividend Paid	Mr. Prahlad Rai Agarwala	Key Management Personnel	86.67	86.74
	Mr. Ghanshyam Prasad Agarwala		39.51	39.58
	Mr. Kunj Bihari Agarwal		38.34	38.39
	Mr Mukesh Agarwal		21.89	21.89
	Mr Ramesh Agarwal		31.78	31.78
	Mr. Vikash Agarwal	Relatives of Key Management Personnel	52.66	52.66
	Mr. Ravi Agarwal		52.28	52.28
	Mr. Rajnish Agarwal		37.30	37.30
	Mr. Manish Agarwal		36.98	36.98
	Mr. Suresh Agarwal		32.00	32.00
	Others		76.96	76.96
	Ullas Sales Promotion LLP	Enterprises owned or significantly influenced by key management personnel or their relatives	648.93	648.93
	Binod Hosiery		502.91	502.91
	Sidhant Credit Capital Ltd.		50.76	50.76
	Others		39.31	39.31

includes Commission of ₹100.00 Lakhs (March 31, 2020: ₹100.00 Lakhs)

As the liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to Key Management Personnel and relatives of Key Management Personnel are not included above.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

Balance at end of the Period

Particulars	Party	Nature of relationship	March 31, 2021	March 31, 2020
Trade Payables and Other Liabilities (payable to employees)	Mr. Prahlad Rai Agarwala	Key Management Personnel	109.64	281.35
	Mr. Ghanshyam Prasad Agarwala		17.33	92.27
	Mr. Kunj Bihari Agarwal		9.32	26.47
	Mr. Ramesh Agarwal		41.70	88.51
	Mr. Mukesh Agarwal		47.26	152.63
	Mr. Dinesh Kumar Lodha		163.34	19.34
	Mr Niraj Kabra		1.06	1.64
	Mr Kundan Kumar Jha		0.83	1.58
	Mr. Manish Agarwal	Relatives of Key Management Personnel	29.70	60.96
	Mr. Rajnish Agarwal		30.17	61.04
	Mr. Ravi Agarwal		29.90	21.79
	Mr. Vikash Agarwal		31.94	30.47
	Mr. Suresh Agarwal		20.20	42.84
	Mr. Siddhant Agarwal		4.84	50.48
	Mrs Rekha Patodia		1.08	1.90
	Mrs. Pushpa Devi Agarwal		0.83	0.61
	Mr Dipak Kumar Banerjee	Independent Directors	5.00	5.00
	Mr Dharam Chand Jain		3.00	3.00
	Mr Vinod Kumar Kothari		5.00	5.00
	Mr Sushil Patwari		5.00	5.00
	Mr Ashok Bhandari		5.00	5.00
	Mrs Alka Devi Bangur		3.00	3.00
Trade Receivables	Imoogi Fashions Pvt. Ltd.	Subsidiary Company	45.13	102.89
	Oban Fashions Pvt. Ltd		39.25	191.62
Trade Payables	Euro Fashion Inners International Pvt. Ltd.	Subsidiary Company	22.38	148.79
	Rupa Dyeing & Printing Pvt. Ltd.	Private companies in which directors or relatives are director or members.	153.27	126.80
	Salasar Processors Pvt. Ltd.		124.57	-
	Salasar Infrastructure Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	-	0.54
	Salasar Projects and Estates Pvt. Ltd.		-	0.21
	Sidhant Flats & Apartments Pvt Ltd.		-	0.21
	Sidhant Textiles Pvt. Ltd.		-	0.57
	Ganesh Enclave Ltd.		-	0.54
	Ravi Global Pvt. Ltd.		-	0.57
	Rupa Spinners Ltd.		-	0.54
	Bajrangbali Projects Ltd.		-	0.54
	Kadambari Impex & Agency Pvt Ltd.		-	0.57
	Lambodar Hosiery Pvt. Ltd.		20.37	14.81
	Arrow Link Stitchers Pvt. Ltd.		496.97	97.03
	Gajkarna Projects Private Limited		0.75	-

Corporate Overview

Governance Report

Financial Statements

Rupa & Company Limited / Annual Report 2020-21

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Party	Nature of relationship	March 31, 2021	March 31, 2020
	M/s Binod Hosiery		0.55	0.41
	Tushar Knitting LLP		4.03	5.73
	Yashoda Hosiery Pvt. Ltd.		6.15	4.90
	Metro Towers Office Owners Association	Private companies in which directors or relatives are director or members.	2.99	6.72
	Bajrangbali Textiles Pvt. Ltd.		0.88	11.95
Advance against supply of goods & services	Salasar Processors Pvt. Ltd.		-	23.11
	Sobhasaria Properties Pvt Ltd	Enterprises owned or significantly influenced by key management personnel or their relatives	0.85	-
Bank Guarantee commission Receivable	Oban Fashions Pvt. Ltd.	Subsidiary Company	5.32	5.93
Financial Assets- Loan granted & Other Financial Asset	Oban Fashions Pvt. Ltd.		743.45	110.24
Financial Assets - Security Deposit	Salasar Projects and Estates Pvt. Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	26.00	26.00
	Sidhant Flats & Apartments Pvt Ltd.		26.40	26.40
	Bajrangbali Projects Ltd.		3.00	3.00
	Ganesh Enclave Ltd.		3.00	3.00
	Rupa Spinners Ltd.		3.00	3.00
	Salasar Infrastructure Ltd.		3.00	3.00
	Salasar Developers & Garments Pvt Ltd.		3.00	3.00
Lease Liability Payable	Sobhasaria Properties Pvt Ltd		-	2.21
Guarantees Given	Oban Fashions Pvt Ltd.	Subsidiary Company	3,550.00	3,550.00

Note:

The remuneration to the Key Management Personnel and relatives of the Key Management Personnel does not include provision made for Gratuity as it is determined on an actuarial basis for the Company as a whole.

44. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker (CODM). The Chief Executive Officer of the Company being the CODM, assesses the financial performance and position of the Company and makes strategic decisions. The CODM primarily uses earnings before interest, tax, depreciation and amortisation (EBITDA) as performance measure to assess the performance of the operating segments. However, the CODM also receives information about the segment's revenues, segment assets and segment liabilities on regular basis.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

A. Description of Segment

The Company is principally engaged in a single business segment viz., Hosiery Products.

B. Geographical Information

	March 31, 2021	March 31, 2020
i) Segment Revenue from External Customer (Sale of Goods)		
Within India	1,23,746.35	91,250.10
Outside India- Export Sales	2,050.09	2,493.57
	1,25,796.44	93,743.67
ii) Carrying value of Non-Current Assets (other than financial instruments)		
Within India*	28,379.41	26,409.60
Outside India	-	-
	28,379.41	26,409.60

*Non-Current Assets for this purpose consists of Property, Plant and Equipment, Capital Work-in-Progress, Intangible Assets, Non-Current Tax Assets and Other Non-Current Assets.

45. Information pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Loan & Advances (in nature of loan both Current & Non Current) to subsidiary company are as under

	Balance as on March 31, 2021	Balance as on March 31, 2020	Maximum Balance outstanding during FY 2020-2021	Maximum Balance outstanding during FY 2019-2020
Oban Fashions Private Limited	743.45	110.24	743.45	5,026.04
	743.45	110.24	743.45	5,026.04

46. (a) Disclosures of Corporate Social Responsibility expenditure in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities".

	March 31, 2021	March 31, 2020
Amount of CSR expenditure to be incurred during the year	276.60	287.73
CSR Expenditure incurred during the year	276.60	224.93
Related party transaction as per Ind AS 24 in relation to CSR expenditure	25.35	46.68

(b) Pertaining to amendment on Section 135(5) disclosure on excess amount spent to be carry forward

	March 31, 2021
Opening Balance	-
Amount required to be spent during the year	276.60
Amount Spent during the year	319.30
Closing Balance to be carry forward	42.70

47. Capital Management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term. Net debt (total borrowings less cash & cash equivalents) to equity ratio is used to monitor capital.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

	March 31, 2021	March 31, 2020
Debt Equity Ratio	0.15:1	0.23:1

48. Disclosure on Financial Instrument

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note No. 3.12 to the financial statements.

(a) Fair Value of Financial Asset & Liabilities

The Company has measured its Financial Asset and Financial Liabilities at Amortised Cost. Hence no separate disclosure has been given for fair value hierarchy.

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

The carrying value of trade receivables, trade payables, cash and cash equivalents, loans, borrowings and other current financial assets and liabilities approximate their fair values largely due to the short-term maturities.

(b) Financial Risk Management

The Company has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The Risk Management Policy is approved by the Directors. The different types of risk impacting the fair value of financial instruments are as below:

(a) Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, obtaining necessary approvals for credit and taking security deposits from trade channels.

(i) Trade Receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers are generally secured by obtaining security deposits/bank guarantee or other forms of credit insurance. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable disclosed in Note No. 13.

Reconciliation of Loss Allowance provision:-

	March 31, 2021	March 31, 2020
Loss Allowance at beginning of the year	38.54	35.51
Add / (Less) : Change in loss Allowance	110.50	3.03
Loss Allowance at end of the year	149.04	38.54

(b) Liquidity Risk

The Company determines its liquidity requirement in the short term and long term. The Company manage its liquidity risk in a manner so as to meet its financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

(i) Maturity Analysis for Financial Liabilities

The following are the remaining contractual maturities of financial liabilities as at March 31, 2021

	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-derivative				
Trade payables	-	14,780.37	-	-
Borrowings	1,163.51	7,934.25	916.67	437.42
Other Financial Liabilities				
Interest Accrued but not due on borrowings	-	23.58	-	-
Book Overdraft in current Account	33.21	-	-	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	14.01	-	-	-
Security Deposits from customers	4,218.12	-	-	-
Capital Creditors	-	114.75	-	-
Dealers Incentive payable	-	1,178.03	-	-
Payable to employees	-	837.40	-	-
Lease Liability	-	71.48	167.42	1,192.71
Others	-	318.93	-	-
	5,428.85	25,258.79	1,084.09	1,630.13

The following are the remaining contractual maturities of financial liabilities as at March 31, 2020

	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-derivative				
Trade payables	-	12,128.64	-	-
Borrowings	2,251.44	10,541.25	762.51	327.40
Other Financial Liabilities				
Interest Accrued but not due on borrowings	-	32.85	-	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	11.39	-	-	-
Security Deposits from customers	3,925.22	-	-	-
Capital Creditors	-	57.51	-	-
Dealers Incentive payable	-	1,879.16	-	-
Payable to employees	-	1,034.25	-	-
Lease Liability	-	164.47	160.99	525.40
Others	-	391.50	-	-
	6,188.05	26,229.63	923.50	852.80

(c) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include borrowings, trade receivable and trade payable.

(i) Interest Rate Risk: Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Company is also exposed to interest rate risk on surplus funds parked in fixed deposits. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a) Exposure to interest rate risk

	March 31, 2021	March 31, 2020
Fixed Rate Instruments		
Financial Assets	12,440.93	353.00
Financial Liabilities	6,649.73	4,776.08
Variable Rate Instruments		
Financial Liabilities	9,451.85	13,882.60

b) Interest rate Sensitivity: A change in 50 basis points in the interest rate would have following impact on Profit Before Tax and Other Equity

Particulars	Sensitivity Analysis	March 31, 2021		March 31, 2020	
		Impact on		Impact on	
		Profit before Tax	Other Equity	Profit before Tax	Other Equity
Interest rate increase by	0.50%	(47.26)	(35.37)	(69.41)	(51.94)
Interest rate decrease by	0.50%	47.26	35.37	69.41	51.94

c) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have significant foreign currency exposure and hence, is not exposed to any significant foreign currency risk.

i) Unhedged Foreign Currency Exposure

The Company's exposure to foreign currency in USD at the end of the reporting period expressed in INR is as follows

	March 31, 2021	March 31, 2020
Financial Assets		
Trade Receivables	1,011.35	787.93
EEFC Bank Account	111.76	48.62

ii) The Company's exposure to unhedged foreign currency being not significant, sensitivity analysis has not been done for the same.

(d) Other Risk

The Company has assessed and considered the impact of the ongoing Covid-19 pandemic on carrying amounts of Property, Plant & Equipment, Investments, Trade receivables, Inventories, other assets and its business operations including all relevant internal and external information available up to the date of approval of these Financial Statements. Basis such evaluation, the management does not expect any adverse impact on its future cash flows, its liquidity position and shall be able to continue as a going concern. However, the eventual outcome of the impact of the Covid-19 pandemic may be different from those estimated as on the date of approval of these Financial Statements owing to the nature and duration of the pandemic.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

49. Movement of Deferred Revenue (Refer Note No. 23)

	March 31, 2021	March 31, 2020
Opening Balance (including Current portion)	233.34	100.62
Government Grant received during the year	-	166.35
Less:		
Deferred Revenue on Government Grant recognised in Profit and Loss Statement	30.68	33.63
Current portion of Deferred Revenue Grant carried forward as at year end	30.67	30.67
Non-Current portion of Deferred Revenue Grant carried forward as at year end	171.99	202.67

50. The Company has investments in equity and preference shares aggregating to ₹ 5,941.00 lakhs as at March 31, 2021 in it's Wholly owned Subsidiary, Oban Fashions Private Limited (OFPL). Further, the Company also has net recoverable amounts aggregating to ₹ 788.03 lakhs from OFPL as at March 31, 2021 and also provided Corporate Guarantee aggregating to ₹ 3,550 lakhs. OFPL has incurred a net loss of ₹ 570.21 lakhs for the year ended March 31, 2021 and its current liabilities exceeded its current assets as at that date. Management has performed an impairment assessment of its investment in OFPL as required by Indian Accounting Standard 36 "Impairment of Assets" / Indian Accounting Standard 109 "Financial Instruments", by considering *inter alia* the value in use (considering discounted cash flows) which have been determined by external valuation experts based on management's financial projections. The determination of the value in use / fair value involves significant management judgement and estimates on the various assumptions including relating to growth rates, discount rates, terminal value, etc. In view of the management's assessment of business prospects and assessment on value in use based on independent valuation reports, no impairment is considered necessary on the investment and recoverable amounts in OFPL as at March 31, 2021.

51. The Board of Directors at its meeting held on December 9, 2020 has approved a scheme of arrangement between the Company and it's Wholly owned Subsidiary, Oban Fashions Pvt. Ltd. (OFPL) wherein the premium brand undertaking of OFPL shall be demerged and transferred to the Company having an appointed date of April 1, 2021 and business pertaining to trading in semi-finished hosiery goods and allied items, with its presently established and self-sustaining organizational framework, shall remain in OFPL. The application for the said scheme has been filed by the Company with Hon'ble National Company Law Tribunal, Kolkata on December 30, 2020. The Company envisages that the arrangement would open avenues for the demerged undertaking across various markets of the Company leading to higher and rapid growth for the demerged operations. The Company also envisages that proposed consolidation of business would bring benefits from potential commercial synergies by optimally utilizing the common resources. The Company is awaiting regulatory approval to the same.

52. Previous year figures have been reclassified/regrouped wherever considered necessary.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Ankit Dhelia
Partner
Membership No. 069178
Place: Kolkata
Date: May 31, 2021

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

For and on behalf of the Board of Directors

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Dinesh Kumar Lodha
Chief Executive Officer

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Independent Auditor's Report

To the Members of

Rupa & Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Rupa & Company Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the consolidated Balance sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss, (including the Statement of Other Comprehensive Income), the Consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, its consolidated profit including other comprehensive income, its consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants (ICAI) of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

Attention is drawn to the following :

- a. Note 10(a) to the Consolidated Financial Statements regarding recognition and carry forward of Deferred Tax Asset on business loss and unabsorbed depreciation amounting to ₹ 1,155.12 Lakhs as at March 31, 2021 in one of the subsidiary company based on future profitability projections by the management and the scheme of arrangement filed with the Hon'ble National Company Law Tribunal.
- b. Note 52 to the Consolidated Financial Statements regarding confirmation of balances from certain Trade Receivables in one subsidiary which are pending receipt /under reconciliation due to the reasons stated therein. However, in the opinion of the management, these trade receivables would, in the ordinary course of business, realize the value stated in the books of account.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do

Independent Auditor's Report

not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>1. Valuation & existence of inventories (Refer to Note 13 to the Consolidated Financial Statements)</p> <p>The Group holds inventories amounting to ₹ 39,058.33 lakhs as at the Balance Sheet date, which represent 33.48% of total assets.</p> <p>As described in the accounting policies in Note 4.1 to the Consolidated Financial Statements, inventories are carried at the lower of cost and net realisable value. Inventories valuation and existence is a significant audit risk as inventories may be held for long periods of time before being sold making it vulnerable to obsolescence. As a result, the management applies judgment in determining the appropriate provisions for obsolete stock based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory. We have determined this to be a matter of significance to our audit due to the quantum of the amount involved.</p>	<p>Our audit procedures performed included the following:</p> <ul style="list-style-type: none"> • Obtained a detailed understanding and evaluated the design and implementation of controls that the companies in the Group has established in relation to inventory valuation and existence. • Reviewing the document and other record related to physical verification of inventories done by the management during the year and subsequent to year end. • Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification. We have also verified on sample basis confirmation from third parties for inventory lying with them as at year end. • Obtained assurance over the management's assumptions applied in calculating the gross profit margin and discounts to be deducted from sales price to arrive at cost of products. • Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision. • Recomputing provisions recorded to verify that they are in line with the Company policy.

Independent Auditor's Report

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>2. Revenue recognition including estimation of rebates & discounts (Refer Note 27 to the Consolidated Financial Statements)</p> <p>As described in Accounting Policy for Revenue recognition vide Note 4.6 of the Consolidated Financial Statements, the revenue is recognised upon transfer of control of goods to the customer and thus requires an estimation of the revenue taking into consideration the rebates, discounts and incentives as per the terms of the contracts. The companies in the group sells its products through various channels like dealers, modern trade, distributors, retailers, etc., and recognize liabilities related to rebates, discounts and incentives.</p> <p>With regard to the determination of revenue, the management is required to make significant estimates in respect of the rebates/ discounts linked to sales, which will be given to the customers pursuant to schemes offered by the Group and compensation (discounts) offered by the customers to the ultimate consumers at the behest of the Group.</p> <p>The matter has been determined to be a key audit matter in view of the involvement of significant estimates by the management.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Obtained a detailed understanding and evaluated the design and implementation of controls that the companies in the group has established in relation to revenue recognition and recording of rebates, discounts, etc. and period end provisions relating to estimation of revenue, and tested the operating effectiveness of such controls; • Tested the inputs used in the estimation of revenue in context of rebates, discounts, etc. to source data; • Assessed the underlying assumptions used for determination of rebates, discounts etc; • Ensured the completeness of liabilities recognised by evaluating the parameters for sample schemes; • Performed look-back analysis for past trends by comparing recent actuals with the estimates of earlier periods and assessed subsequent events; • Tested credit notes issued to customers and payments made to them during the year and subsequent to the year- end along with the terms of the related schemes.
<p>3. Recoverability of Trade Receivables (Refer Note 14 to the Consolidated Financial Statements)</p> <p>The Group has trade receivables amounting to ₹ 36,440.90 Lakhs as at the Balance Sheet date, which represent 31.24% of total assets.</p> <p>Due to the inherent subjectivity that is involved in making judgments in relation to credit risk exposures to determine the recoverability of trade receivables and significant estimates and judgements made by the management for provision for loss allowance under expected credit Loss model. The matter has been determined to be a key audit matter in view of the involvement of significant estimates by the management.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • We evaluated and tested the controls relating to credit control and approval process and assessing the recoverability of overdue receivables by comparing management's views of recoverability of overdue receivables to historical patterns of receipts. • We also checked on sample basis balance confirmations from customers to test whether trade receivables as per books are acknowledged by them. • We also reviewed receipts subsequent to the financial year end for its effect in reducing overdue receivables as the financial year end. • We also reviewed at the adequacy of the management judgements and estimates on the sufficiency of provision for doubtful debts through detailed analyses of ageing of receivables and assessing the adequacy of the disclosures in respect of credit risk.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, Shareholder's Information, etc., but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

Independent Auditor's Report

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

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the 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 Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group is responsible for assessing the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of companies included in the Group are also responsible for overseeing the Group's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report

- 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 Group'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 Consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Other Matters

We did not audit the financial statements/ financial information of three subsidiaries whose financial statements/ financial information reflect total assets and net assets ₹1,006.06 Lacs and ₹747.92 Lacs respectively as at March 31, 2021, total revenues of ₹255.90 Lacs, total profit after tax of ₹7.38 lacs and Total Comprehensive Income of ₹7.66 lacs for the year ended on that date and net cash outflows of ₹2.31 Lacs for the year ended March 31, 2021 as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph above.

We did not audit the financial statements / financial information of one foreign subsidiary, whose financial statements / financial information reflect total assets and net assets of ₹11.54 Lacs and ₹11.14 Lacs respectively as at March 31, 2021, total revenue of ₹Nil, total loss after tax of ₹1.22 lacs and Total Comprehensive Loss of ₹1.51 lacs for the year ended on that date and net cash outflows of ₹1.19 Lacs for the year ended March 31, 2021 as considered in the Consolidated Financial Statements. This financial statements / financial information are audited as per the local law of the respective country and have been converted by the management of the Holding Company into Ind-AS compliant financial statements. Our opinion on the statement in so far as relates to the amounts included in respect of these subsidiaries are based solely on audited accounts as per the respective local laws which has been converted into Ind AS by the Holding Company's management and duly certified by them.

Independent Auditor's Report

Our opinion above on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on the separate financial statements of the subsidiaries referred to in the other matter paragraph above, we report, to the extent applicable 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 relating to the preparation of aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;
 - (d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of statutory auditors of its subsidiaries, none of the directors of Group Companies are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/ provided by the Group to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act; and
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Group has disclosed the impact of pending litigations on its financial position in its financial statements –Note 12 & 38 to the Consolidated Financial Statements;
 - II. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiaries.

For **Singhi & Co.,**

Chartered Accountants

Firm's Registration No. 302049E

Sd/-

(Ankit Dhelia)

Partner

Membership No. 069178

UDIN: 21069178AAAABA3853

Place: Kolkata

Date: May 31, 2021

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Rupa & Company Limited of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of Consolidated Financial Statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting with reference to financial statements of the Holding Company. Based on comments made by the independent auditors of the subsidiary companies incorporated in India (covered entities) with respect to the internal financial controls with reference to financial statements as required in terms of Sub-section (3)(i) of Section 143 of the Act, we report as under:

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's and covered entities internal financial controls over financial reporting 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, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to financial statements included obtaining an understanding of internal financial controls over financial reporting 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters Paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to financial statements.

Meaning of Internal Financial Controls over financial reporting with reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting 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 control over financial reporting 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

Annexure 'A' to the Independent Auditor's Report

preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls over financial reporting with reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting 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 over financial reporting with reference to financial statement to future periods are subject to the risk that the internal financial control over financial reporting with reference to financial statement may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiaries have in all material respects, an adequate internal financial controls system over financial reporting with reference to financial statements and such internal financial controls over financial reporting with reference to consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting with reference to financial statements 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to financial statements in so far as it relates to 3 subsidiaries incorporated in India, is based on the corresponding reports of the auditors of such companies.

Place: Kolkata

Date: May 31, 2021

For **Singhi & Co.,**
Chartered Accountants
 Firm's Registration No. 302049E
 Sd/-
(Ankit Dhelia)
Partner
 Membership No. 069178
 UDIN: 21069178AAAABA3853

Consolidated Balance Sheet

as at March 31, 2021

(₹ in Lakhs)

	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	5(a)	16,894.99	16,616.83
(b) Right to Use Assets	5(b)	1,811.51	1,190.73
(c) Capital Work-in-progress		1,935.26	636.77
(d) Intangibles Assets	6	600.01	723.39
(e) Intangible Assets under Development	6(a)	2.74	2.74
(f) Financial Assets			
(i) Investments	7	0.18	0.18
(ii) Loans	8	119.27	198.81
(iii) Other Financial Assets	9	151.80	18.95
(g) Deferred Tax Assets (Net)	10(a)	1,155.71	1,155.64
(h) Non-Current Tax Assets (Net)	11	1,026.17	1,017.61
(i) Other Non Current Assets	12	851.41	1,054.55
		24,549.05	22,616.20
Current Assets			
(a) Inventories	13	39,058.33	46,731.12
(b) Financial Assets			
(i) Trade Receivable	14	36,440.90	25,129.44
(ii) Cash and Cash Equivalents	15	317.91	128.31
(iii) Other Bank Balances (other than above)	16	11,521.71	42.20
(iv) Loans	8	406.02	344.31
(v) Other Financial Assets	9	81.60	2.53
(c) Other Current Assets	12	4,269.29	5,064.47
		92,095.76	77,442.38
TOTAL ASSETS		1,16,644.81	1,00,058.58
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	17	796.29	796.29
(b) Other Equity	18	72,156.61	56,999.17
		72,952.90	57,795.46
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	1,354.09	1,089.91
(ii) Lease Liabilities	20	1,469.95	686.39
(b) Provisions	21	44.68	67.99
(c) Deferred Tax Liabilities (Net)	10(b)	1,050.37	961.46
(d) Other Non-Current Liabilities	22	172.00	202.67
		4,091.09	3,008.42
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	12,637.93	16,508.78
(ii) Lease Liabilities	20	130.47	296.06
(iii) Trade payables	24		
-Total outstanding dues of creditors to micro and small enterprises		1,164.71	25.69
-Total outstanding dues of creditor to other than micro and small enterprises		15,096.64	13,449.10
(iv) Other Financial Liabilities	25	7,705.41	8,072.97
(b) Provisions	21	337.15	329.18
(c) Current Tax Liabilities (Net)	26	1,946.76	2.13
(d) Other Current Liabilities	22	581.75	570.79
		39,600.82	39,254.70
TOTAL EQUITY & LIABILITIES		1,16,644.81	1,00,058.58
Basis of Accounting	2		
Basis of Consolidation	3		
Significant Accounting Policies	4		
Significant Judgements and Key Estimates	4.20		

The notes are the integral part of the Consolidated Financial Statements

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Ankit Dhelia
Partner
Membership No. 069178
Place: Kolkata
Date: May 31, 2021

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

For and on behalf of the Board of Directors

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Dinesh Kumar Lodha
Chief Executive Officer

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in Lakhs)

	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I Revenue from Operations	27	1,31,267.15	97,464.28
II Other Income	28	728.75	737.09
III Total Income (I+II)		1,31,995.90	98,201.37
IV Expenses			
Cost of Materials Consumed	29	48,201.63	46,218.21
Purchase of Traded Goods	30	2,880.38	1,522.70
Changes in Inventories of Finished Goods, Work in Progress	31	10,060.03	(7,743.89)
Employee Benefits Expense	32	5,268.79	6,567.57
Finance Costs	33	1,343.31	1,862.10
Depreciation and Amortisation Expense	34	1,378.98	1,851.45
Other Expenses	35	39,122.22	39,524.98
Total Expenses (IV)		1,08,255.34	89,803.12
V Profit before Exceptional Items & Tax (III-IV)		23,740.56	8,398.25
VI Exceptional Items		-	-
VII Profit/(Loss) Before Tax (V-VI)		23,740.56	8,398.25
VIII Tax Expense			
a) Current Tax (Including Tax for Earlier Years)	36	6,129.57	2,657.72
b) Deferred Tax		85.09	(449.81)
IX Profit for the year (VII- VIII)		17,525.90	6,190.34
X Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
(i) Remeasurements of defined benefit plans		21.31	15.76
(ii) Income tax relating to items that will not be reclassified to profit or loss		(3.75)	(2.44)
B. Items that will be reclassified to profit or loss			
(i) Exchange difference in respect of Non Integral Foreign Operation		(0.29)	0.67
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI Other Comprehensive Income for the year [A(i-ii) +B(i-ii)]		17.27	13.99
XII Total Comprehensive Income for the year (IX+XI)		17,543.17	6,204.33
XIII Earnings per Equity Share			
Basic Earnings per Share (₹)	43	22.04	7.78
Diluted Earnings per Share (₹)		22.04	7.78
Basis of Accounting	2		
Basis of Consolidation	3		
Significant Accounting Policies	4		
Significant Judgements and Key Estimates	4.20		

The notes are the integral part of the Consolidated Financial Statements

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Ankit Dhelia
Partner
Membership No. 069178
Place: Kolkata
Date: May 31, 2021

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

For and on behalf of the Board of Directors

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

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Chief Executive Officer

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Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Corporate Overview

Governance Report

Financial Statements

Rupa & Company Limited / Annual Report 2020-21

Consolidated Cash Flow Statement

for the year ended March 31, 2021

(₹ in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES		
Profit Before Tax	23,740.56	8,398.25
Adjustment to reconcile Profit Before Tax to Net Cash Flows		
(a) Depreciation and Amortisation	1,378.98	1,851.45
(b) Finance Cost	1,343.31	1,862.10
(c) (Profit)/loss on disposal of Plant, Property & Equipment (Net)	(1.51)	(47.34)
(d) Gain on Disposal/Retirement of Right of Use Assets	(38.98)	-
(e) Bad Debts written off	14.47	37.52
(f) Sundry Balances written off	13.29	-
(g) Unspent Liabilities written back	(155.32)	(442.53)
(h) Provision for Doubtful Trade Receivables/(written back)	134.85	75.70
(i) Deferred Revenue on Government Grant	(30.67)	(33.63)
(j) Unrealised Foreign Exchange (Gain)/Loss	(19.53)	(53.51)
(k) Interest Income	(256.41)	(120.26)
Operating Profit before Working Capital Changes	26,123.04	11,527.75
Changes in Working capital		
(a) (Increase)/decrease in Inventories	7,672.79	(8,501.87)
(b) (Increase)/decrease in Trade Receivables	(11,442.05)	14,463.75
(c) (Increase)/decrease in Other Financial Assets	17.70	(62.99)
(d) (Increase)/decrease in Non-Financial Assets	781.90	(1,753.51)
(e) Increase/(decrease) in Trade Payables	2,941.87	(1,221.21)
(f) Increase/(decrease) in Other Financial Liabilities	(660.54)	(1,116.14)
(g) Increase/(decrease) in Provisions	5.99	62.17
(h) Increase/(decrease) in Non-Financial Liabilities	10.97	63.66
Cash Generated from Operations	25,451.67	13,461.61
Less: (a) Direct Taxes paid	(4,393.01)	(4,424.97)
Net Cash from Operating Activities	21,058.66	9,036.64
B. CASH FLOW ARISING FROM INVESTING ACTIVITIES		
(a) Purchase of Plant, Property & Equipment (including Capital Advances & CWIP)	(2,269.42)	(1,813.04)
(b) Disposal of Plant, Property & Equipment	5.23	379.30
(c) Redemption of/(Investment in) Fixed Deposits (Net)	(11,610.00)	(4.06)
(d) Loan Refund Received/(Granted)	-	(200.00)
(e) Interest Received	177.59	119.03
Net Cash used in Investing Activities	(13,696.60)	(1,518.77)

Consolidated Cash Flow Statement

for the year ended March 31, 2021

(₹ in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
C. CASH FLOW ARISING FROM FINANCING ACTIVITIES		
(a) Repayment of Non-Current Borrowings	(428.54)	(250.15)
(b) Proceeds from Non-Current Borrowings	934.95	587.23
(c) Proceeds/ (Repayment) of Current Borrowings (Net)	(3,870.85)	(3,473.31)
(d) Payment of Lease Liability (including interest thereon)	(354.13)	(342.21)
(e) Dividend and Tax paid thereon	(2,385.74)	(2,876.13)
(f) Interest Paid	(1,068.94)	(1,755.79)
Net Cash used in Financing Activities	(7,173.25)	(8,110.36)
Net increase/(decrease) in Cash & Cash Equivalent (A+B+C)	188.81	(592.49)
Cash & Cash Equivalents at the beginning of the year	128.31	720.09
Effect of exchange rate changes on Cash & Cash Equivalent	0.79	0.71
Cash & Cash Equivalents at the end of the year	317.91	128.31

Note:

- (1) The above statement of cash flows has been prepared under the "Indirect Method" as set out in IND AS - 7 "Statement of Cash Flows".
- (2) Closing Cash and Cash Equivalents represent balances of cash and cash equivalents as indicated in Note 15 to the financial statements
- (3) Statement of Reconciliation of Financing Activities:

	Term Loan from Banks	Short Term Borrowings
Balance as at April 1, 2020 (including interest accrued thereon)	1,410.28	16,531.13
Cash Flow (Net)	506.41	(3,870.85)
Non Cash Changes		
Fair Value Changes	-	-
Others	-	-
Interest Expense	150.43	715.78
Interest Paid	(147.49)	(727.99)
	1,919.63	12,648.07

- (4) Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- (5) Previous years figures have been regrouped / reclassified wherever necessary

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Ankit Dhelia
Partner
Membership No. 069178
Place: Kolkata
Date: May 31, 2021

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

For and on behalf of the Board of Directors

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

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Dinesh Kumar Lodha
Chief Executive Officer

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Consolidated Statement of Change in Equity

for the year ended March 31, 2021

(₹ in Lakhs)

a) Equity Share Capital					
Balance as at April 1, 2019					796.29
Add/(Less): Changes in Equity Share Capital during the year					-
Balance as at March 31, 2020					796.29
Add/(Less): Changes in Equity Share Capital during the year					-
Balance as at March 31, 2021					796.29
	Reserves & Surplus			OCI	Total
	Securities Premium Account	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	
b) Other Equity					
Balance as at April 1, 2019	6,880.31	4,231.17	42,559.49	-	53,670.97
Profit for the Year	-	-	6,190.34	-	6,190.34
Remeasurement Gain on Defined Benefit Plans (Net of Taxes)	-	-	13.32	0.67	13.99
Total Comprehensive Income	-	-	6,203.66	0.67	6,204.33
Final Dividend Paid	-	-	(2,385.73)	-	(2,385.73)
Dividend Distribution Tax on Final Dividend	-	-	(490.40)	-	(490.40)
Balance as at March 31, 2020	6,880.31	4,231.17	45,887.02	0.67	56,999.17
Profit for the Year	-	-	17,525.90	-	17,525.90
Remeasurement Gain on Defined Benefit Plans (Net of Taxes)	-	-	17.56	(0.29)	17.27
Total Comprehensive Income	-	-	17,543.46	(0.29)	17,543.17
Final Dividend Paid	-	-	(2,385.73)	-	(2,385.73)
Dividend Distribution Tax on Final Dividend	-	-	-	-	-
Balance as at March 31, 2021	6,880.31	4,231.17	61,044.75	0.38	72,156.61

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-
Ankit Dhelia
Partner
Membership No. 069178
Place: Kolkata
Date: May 31, 2021

Sd/-
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Managing Director
DIN: 00224857
Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

1. CORPORATE AND GENERAL INFORMATION

Rupa & Company Limited (the Parent Company) was incorporated in India in the year 1985 and has its registered office in Metro Towers, 8th Floor, 1, Ho Chi Minh Sarani, Kolkata - 700071.

The Parent Company is a Public Limited Group domiciled in India & is incorporated under provision of Companies Act applicable in India. Its shares are listed on the National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd. The Parent Company and its Subsidiaries (together referred to as "the Group") are primarily engaged in manufacture of hosiery products in knitted undergarments, casual wears and thermal wears. The Parent Company also has a Power Generation Unit operated on Windmill process.

2. BASIS OF ACCOUNTING

2.1 Statement of Compliance

These Financial Statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The Financial Statements of the Group for the year ended March 31, 2021 have been approved by the Board of Directors in their meeting held on May 31, 2021.

2.2 Basis of Measurement

The Financial Statements have been prepared on historical cost basis, except for following:

- Financial assets and liabilities (including derivative instruments) that is measured at Fair value/ Amortised cost;
- Non-current assets held for sale – measured at the lower of the carrying amounts and fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (₹ INR), which is also the Company's functional currency. All financial information presented in (₹) has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

2.4 Use of Estimates and Judgements

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.5 Current Vs Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

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

All the other assets are classified as non-current.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

2.6 Adoption of New Accounting Standards

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Ministry of Corporate Affairs on July 24, 2020 notified the Companies (Indian Accounting Standards) Amendment Rules, 2020, thereby amending the Rules of 2015. The Group has applied the amendments in following accounting standards for the first time during the financial year 2020-21:

- IND AS 103- Business Combination
- IND AS 107-Disclosures to be made in respect of financial instruments
- IND AS 109-Financial reporting of financial assets and financial liabilities
- IND AS 116 -Accounting for Leases
- IND AS 1 & 8 -Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors
- IND AS 10 -Events after the Reporting Period
- IND AS 37 -Provisions, Contingent Liabilities and Contingent Assets

The amendments to accounting standards listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current and future periods.

3. BASIS OF CONSOLIDATION

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Profit/(loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

All the consolidated subsidiaries have a consistent reporting date of March 31, 2021. The Group consolidates the financial statements of the parent company and its subsidiaries on line by line basis adding together the items of assets, liabilities, equity, income and expenses. Intra Group transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent company and the non-controlling interests based on their respective ownership interests.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

The Group treats transactions with non-controlling interests that do not result in a loss of control, as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

Business Combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the fair values of assets transferred on acquisition-date, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognised as capital reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities except changes made to harmonise the accounting policies.

4. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

4.1 Inventories

Raw materials and packing materials are valued at 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 of raw materials is determined on weighted average basis including packing materials, accessories and dyes and chemicals.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of Work-in-progress (measured in kgs) is determined on weighted average basis and cost of work-in-progress (measured in pieces) and cost of finished goods is determined on Retail sales price method.

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.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of traded goods is determined on weighted average basis.

4.2 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

4.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in The Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

Deferred Tax

- Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Group reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

4.4 Property, Plant and Equipment

4.4.1. Recognition and Measurement

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, borrowing cost, if capitalization criteria is met, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

4.4.2. Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

4.4.3. Depreciation and Amortization

- Depreciation on Property Plant & Equipment is provided under Straight Line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The Group has used the following rates to provide depreciation on its Property Plant & Equipment.

Class of Property Plant & Equipment	Useful Lives estimated by the management (Years)
Factory Buildings	30
Non-factory Buildings	60
Plant and Equipments	10 to 15
Computer and Data Processing Equipments	3 to 6
Furnitures and Fixtures	10
Vehicles	8
Office Equipments	5

- Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.
- The management has estimated, supported by independent assessment by professionals, the useful lives of certain plant and machinery as 10 years. These lives are lower than those indicated in schedule II of Companies Act, 2013.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation on assets built on leasehold land, which is transferrable to the lessor on expiry of lease period, is amortized over the period of lease.
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

4.4.4. Disposal of Assets

An item of property, plant and equipment is derecognized 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 property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

4.4.5. Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

4.4.6. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

4.5 Leases

4.5.1. Group as a lessor

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

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term

4.5.2. Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

(i) Right-of-use Assets (ROU Assets)

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.12 Impairment of non-financial assets.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

(ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of Property, Plant & Equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

4.6 Revenue Recognition

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received / receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The specific recognition criteria for revenue recognition are as follows:

4.6.1. Sale of Goods

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Group transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are taken into account.

Certain contracts provide a customer with a right to return the goods within a specified period. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

4.6.2. Sale of Services

In contracts involving the rendering of services, revenue is measured using the completed service method.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

4.6.3. Sale of Power

Revenue from sale of Energy (Power) is recognised on the basis of Electrical Units generated net of transmission loss as applicable when no significant uncertainty as to measurability & collectability exists.

4.6.4. Interest Income

For all financial instruments measured at amortized cost, interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

4.6.5. Dividend Income

Dividend Income from investments is recognized when the Group's right to receive payment has been established

4.6.6. Other Operating Revenue

Export incentive and subsidies are recognized when there is reasonable assurance that the Group will comply with the conditions and the incentive will be received. Insurance & other claims, where quantum of accruals cannot be ascertained with reasonable certainty are recognized as income only when revenue is virtually certain which generally coincides with receipt / acceptance.

4.7 Employee Benefits

4.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

4.7.2. Post-Employment Benefits

The Group operates the following post-employment schemes:

➤ Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

➤ Defined Contribution Plan

Retirement benefits in the form of Provident and Pension Funds are defined contribution schemes and are charged to the statement of profit and loss of the period when the contributions to the respective funds are due. The Group has no obligation other than contributions to the respective funds. The Group recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the selected service."

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

4.8 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Group will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit or loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

4.9 Foreign Currency Transactions

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs
- Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

4.10 Borrowing Cost

- Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
- Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. The Group considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

4.11 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.

4.11.1. Financial Assets

➤ Recognition and Initial Measurement

All financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

➤ Classification and Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- o Measured at Amortized Cost;
- o Measured at Fair Value Through Other Comprehensive Income (FVTOCI);

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

- o Measured at Fair Value Through Profit or Loss (FVTPL); and
- o Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

- o Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
 - The asset is held within a business model whose objective is achieved by both collecting 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 (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method.

- o Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
 - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
 - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- o Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
- o Equity Instruments measured at FVTOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

➤ Derecognition

The Group derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

➤ Impairment of Financial Assets

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

4.11.2. Financial Liabilities

➤ Recognition and Initial Measurement

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

➤ Subsequent Measurement

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

➤ Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

➤ Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when 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. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

4.12 Impairment of Non-Financial Assets

- The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

4.13 Provisions, Contingent Liabilities and Contingent Assets

4.13.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and 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. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

➤ Onerous Contracts

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

4.13.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Group discloses the existence of contingent liabilities in Other Notes to Financial Statements.

4.13.3. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

4.14 Intangible Assets

Recognition and Measurement

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful economic lives.

Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

Amortization

The useful lives over which intangible assets are amortized are as under:

Assets	Useful Life (In Years)
Copyrights & Trade marks	10
Computer software	5
Business Rights	Over the tenure of the agreement (on straight line basis)

Disposal

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit & Loss.

Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

4.15 Non-current assets (or disposal groups) held for sale and discontinued operations

- Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

- Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the balance sheet. Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in statement of profit and loss.

4.16 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the Chief Operating Decision Maker (CODM). An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Group and for which discrete financial information is available. Based on assessment of CODM in terms of Indian Accounting Standard – 108, the Group is predominantly engaged in a single segment of Garments & Hosiery goods and related services. The analysis of geographical segments is based on the areas in which customers of the Group are located.

4.17 Earning Per Share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

4.18 Measurement of Fair Values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

- 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 Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the Group considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

4.19 Significant accounting judgements and key sources of estimation

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Recognition of Deferred Tax Assets: The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- Useful lives of depreciable/ amortisable assets (tangible and intangible): Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- Extension and termination option in leases: Extension and termination options are included in many of the leases. In determining the lease term the Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

This assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Company.

- Defined Benefit Obligation (DBO): Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- Provisions and Contingencies: The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- Impairment of Financial Assets: The Group reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- Allowances for Doubtful Debts: The Group makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- Fair value measurement of financial Instruments: When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.
- Estimation uncertainty relating to the global health pandemic on Covid-19: The companies in the Group has taken into account all the possible impacts of Covid-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, the recoverability of property plant and equipments, receivables, intangible assets, cash and cash equivalent and investments. The Group

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of Covid-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of Covid-19 on the consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements owing to the nature and duration of Covid-19.

4.20 New Standards / Amendments to Existing Standards / Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

On March 24, 2021, the MCA through notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.
- Security Deposits to be shown under the head of Other Non-Current Assets instead of Long-term Loan & Advances.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, Key Managerial Personnel (KMP) and related parties, details of benami property held etc.
- Ratios - Following Ratios to be disclosed: -
 - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory Turnover Ratio, (f) Trade Receivables Turnover Ratio, (g) Trade Payables Turnover Ratio, (h) Net Capital Turnover Ratio, (i) Net Profit Ratio, (j) Return on Capital Employed, (k) Return on Investment

Statement of Profit and Loss

- Additional disclosures relating to Corporate Social Responsibility (CSR), Undisclosed Income and Crypto or Virtual Currency specified under the head 'Additional Information' in the notes forming part of the Financial Statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

5(a). Property, Plant and Equipment

	Land		Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total
	Freehold	Leasehold						
Cost								
As at April 1, 2019	2,594.10	271.66	9,283.70	7,545.92	696.59	616.27	377.08	21,385.32
Additions	-	-	493.77	234.40	73.26	100.99	100.95	1,003.37
Disposals/ Withdrawals	-	271.66	-	-	-	25.72	0.09	297.47
As at March 31, 2020	2,594.10	-	9,777.47	7,780.32	769.85	691.54	477.94	22,091.22
Additions	-	-	525.78	447.77	49.36	126.16	81.90	1,230.97
Disposals/ Withdrawals	-	-	-	3.01	-	48.47	3.95	55.43
As at March 31, 2021	2,594.10	-	10,303.25	8,225.08	819.21	769.23	555.89	23,266.76
Depreciation								
As at April 1, 2019	-	9.66	611.84	2,881.32	251.47	185.29	193.41	4,132.99
Charge for the year	-	-	227.20	839.20	127.45	91.61	76.54	1,362.00
On Disposals/ Withdrawals /adjustments	-	9.66	-	-	-	10.86	0.08	20.60
As at March 31, 2020	-	-	839.04	3,720.52	378.92	266.04	269.87	5,474.39
Charge for the year	-	-	237.27	424.81	126.32	89.30	71.39	949.09
On Disposals/ Withdrawals /Adjustments	-	-	-	2.63	-	46.01	3.07	51.71
As at March 31, 2021	-	-	1,076.31	4,142.70	505.24	309.33	338.19	6,371.77
Net Block								
As at March 31, 2020	2,594.10	-	8,938.43	4,059.80	390.93	425.50	208.07	16,616.83
As at March 31, 2021	2,594.10	-	9,226.94	4,082.38	313.97	459.90	217.70	16,894.99

Note:

- Term Loan from Banks of parent amounting ₹ 1,906.19 Lakhs is secured by first charge by way of hypothecation of movable property, plant & equipment specifically funded by the bank, installed at Domjur, West Bengal and Tirupur Unit, Tamil Nadu. Cash Credit including Working Capital Demand Loan and Packing Credit amounting ₹ 8,545.66 Lakhs are secured by hypothecation of inventories, book debts and other current assets of the company and further secured by second charge of movable and immovable Property, Plant & Equipment of Domjur Unit, West Bengal.
- During the FY 2019-20 pursuant to adoption of Ind AS 116 "Leases", Parent Company has reclassified Leasehold Land to Right of Use Asset which was earlier classified under Property, Plant & Equipment as per Ind AS 17 "Leases"
- Refer Note No- 37 for disclosure on Contractual commitment for acquisition of property, plant and equipment.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

5 (b). Right to Use Assets

	Leasehold Land	Buildings	Total
Cost			
As at April 1, 2019 (on adoption of IND AS 116)	271.66	1,239.31	1,510.97
Additions	-	-	-
Disposals/ Withdrawals	-	-	-
As at March 31, 2020	271.66	1,239.31	1,510.97
Additions	-	1,257.81	1,257.81
Disposals/ Withdrawals	-	858.48	858.48
As at March 31, 2021	271.66	1,638.64	1,910.30
Depreciation			
As at April 1, 2019	9.66	-	9.66
Charge for the period	3.22	307.36	310.58
On Disposals/ Withdrawals /Adjustments/Transfer	-	-	-
As at March 31, 2020	12.88	307.36	320.24
Charge for the period	3.22	302.95	306.17
On Disposals/ Withdrawals /Adjustments/Transfer	-	527.62	527.62
As at March 31, 2021	16.10	82.69	98.79
Net Right of Use Assets			
As at March 31, 2020	258.78	931.95	1,190.73
As at March 31, 2021	255.56	1,555.95	1,811.51

6. Intangible Assets

	Computer Software	Copyrights and Trademarks	Business Rights	Total
Cost				
As at April 1, 2019	402.66	0.50	1,000.00	1,403.16
Additions	0.99	-	-	0.99
As at March 31, 2020	403.65	0.50	1,000.00	1,404.15
Additions	0.34	-	-	0.34
As at March 31, 2021	403.99	0.50	1,000.00	1,404.49
Amortisation				
As at April 1, 2019	201.39	0.50	300.00	501.89
Charge for the year	78.87	-	100.00	178.87
As at March 31, 2020	280.26	0.50	400.00	680.76
Charge for the year	69.17	-	54.55	123.72
As at March 31, 2021	349.43	0.50	454.55	804.48
Net Block				
As at March 31, 2020	123.39	-	600.00	723.39
As at March 31, 2021	54.56	-	545.45	600.01

6(a). Intangible Asset Under Development

As at March 31, 2020	2.74
As at March 31, 2021	2.74

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

7. Investments

	Non-Current			
	March 31, 2021		March 31, 2020	
	Number of Shares	Amount	Number of Shares	Amount
In Equity Instruments (at cost unless otherwise stated) (Unquoted)				
West Bengal Hosiery Park Infrastructure Limited (Equity Shares of ₹ 10/- each)	1,800	0.18	1,800	0.18
	1,800	0.18	1,800	0.18
Aggregate Carrying value of Unquoted Investments		0.18		0.18

8. Loans

	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
(Unsecured, considered good unless otherwise stated)				
Security Deposits*	119.27	198.81	206.02	144.31
Loan to Bodies Corporate**	-	-	200.00	200.00
	119.27	198.81	406.02	344.31

*Dues from private companies in which any director is a director is ₹ 67.40 Lakhs (March 31, 2020 ₹ 67.40 Lakhs)

**To be utilised for Business Purpose.

Note:

There are no outstanding debts from director or other officer of the company.

9. Other Financial Asset

	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Interest Accrued on Deposits	-	0.25	64.95	-
Interest Accrued on Loan to Bodies Corporate	-	-	16.65	2.53
Bank deposits With maturity of more than 12 months*	151.80	18.70	-	-
	151.80	18.95	81.60	2.53

*Held as lien by bank against bank guarantees to the extent ₹ 18.70 Lakhs (March 31, 2020 : ₹ 18.70 Lakhs)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

10. Deferred Tax Asset/Liability

10(a). Deferred Tax Asset (Net)

	Non-Current	
	March 31, 2021	March 31, 2020
Deferred Tax Liabilities		
Arising on account of		
Difference between Tax Depreciation and Depreciation / Amortisation charged for the financial reporting	71.84	71.84
	71.84	71.84
Less: Deferred Tax Assets		
Arising on account of		
Provision for Employee Benefit Expenses	17.20	17.13
Unabsorbed Depreciation & Business Losses	1,209.61	1,209.61
Others	0.74	0.74
	1,227.55	1,227.48
Total Deferred Tax Asset (Net)	1,155.71	1,155.64

10.1. The Consolidated Financial Statements for the year ended March 31, 2021 includes Deferred Tax Asset on business loss and unabsorbed depreciation amounting to ₹1,155.12 Lakhs in earlier years by one of the subsidiary company. The management is of the view that the business/ brands are in a nascent stage and therefore the subsidiary company has been incurring losses. However, the said subsidiary company has not recognised Deferred Tax Assets on business loss and unabsorbed depreciation from the year ended March 31, 2020 on grounds of prudence. Based on business plans, future profitability projections and the scheme of arrangement filed with Hon'ble National Company Law Tribunal as mentioned in Note No.-53, the management is reasonably certain of realizing the carry over Deferred Tax Asset amounting to ₹ 1,155.12 lakhs as at March 31, 2021, the management is hopeful of realizing the carry over Deferred Tax Asset lying in the books as at March 31, 2021.

10(b). Deferred Tax Liability (Net)

	Non-Current	
	March 31, 2021	March 31, 2020
Deferred Tax Liabilities		
Arising on account of		
Difference between Tax Depreciation and Depreciation / Amortisation charged for the financial reporting	1,183.49	1,064.43
	1,183.49	1,064.43
Less: Deferred Tax Assets		
Arising on account of		
Provision for Doubtful debt & advances	37.51	9.70
Provision for Employee Benefit Expenses	66.06	63.78
Provision for Litigation, Claims & Contingencies (Refer Note 21.1)	17.76	17.76
Mat Credit Entitlement	1.16	0.86
Others	10.63	10.87
	133.12	102.97
Total Deferred Tax Liability (Net)	1,050.37	961.46

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

10.1 Movement in Deferred Tax Assets and Liabilities during the year ended March 31, 2020

	As at April 1, 2019	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2020
Deferred Income Tax Liabilities				
Depreciation	1,594.47	(458.20)	-	1,136.27
Others	-	-	-	-
A	1,594.47	(458.20)	-	1,136.27
Deferred Income Tax Assets				
Provision for Doubtful debt & advances	12.41	(2.71)	-	9.70
Provision for Employee Benefit Expenses	93.23	(9.88)	(2.44)	80.91
Provision for Litigation, Claims & Contingencies	24.66	(6.90)	-	17.76
Unabsorbed Depreciation & Business Losses	1,209.61	-	-	1,209.61
Mat Credit Entitlement	0.63	0.23	-	0.86
Others	0.74	10.87	-	11.61
B	1,341.28	(8.39)	(2.44)	1,330.45
Deferred Tax Asset/Liability (Net)	(A-B)	253.19	2.44	(194.18)

10.2 Movement in Deferred Tax Assets and Liabilities during the year ended March 31, 2021

	As at April 1, 2020	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2021
Deferred Income Tax Liabilities				
Depreciation	1,136.27	119.06	-	1,255.33
Others	-	-	-	-
A	1,136.27	119.06	-	1,255.33
Deferred Income Tax Assets				
Provision for Doubtful debt & advances	9.70	27.81	-	37.51
Provision for Employee Benefit Expenses	80.91	6.10	(3.75)	83.26
Provision for Litigation, Claims & Contingencies	17.76	-	-	17.76
Unabsorbed Depreciation & Business Losses	1,209.61	-	-	1,209.61
Mat Credit Entitlement	0.86	0.30	-	1.16
Others	11.61	(0.24)	-	11.37
B	1,330.45	33.97	(3.75)	1,360.67
Deferred Tax Asset/Liability (Net)	(A-B)	85.09	3.75	(105.34)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

11. Income Tax Assets (Net)

	Non-Current	
	March 31, 2021	March 31, 2020
Advance Tax (Net of Provision)	1,026.17	1,017.61
	1,026.17	1,017.61

12. Other Assets (Unsecured Considered)

	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Capital Advances*	851.41	1,054.55	-	-
Prepaid Expenses [Refer Note No. 46(b)]	-	-	207.05	171.80
Advance against supply of goods & services^	-	-	408.77	570.41
Advance to Employees	-	-	102.97	81.69
Balances with Government Authorities	-	-	2,415.77	3,803.64
Claims & Refund Receivable	-	-	1,130.51	412.17
Sales Tax paid under protest	-	-	-	20.54
Other advances	-	-	4.22	4.22
	851.41	1,054.55	4,269.29	5,064.47

*Includes advance amounting to ₹ 400.92 Lakhs (March 31, 2020: ₹400.92 Lakhs) given to West Bengal Housing Infrastructure Development Corporation (WB HIDCO) towards offer for allotment of land on a freehold basis. WB HIDCO later decided to allot land on leasehold basis which was challenged by the Company in the Hon'ble Calcutta High Court. The Hon'ble High Court at Calcutta has vide its order dated February 10, 2020 decided the Writ petition in favour of the Company, in its appellate jurisdiction. WB HIDCO has filed special writ petition against the order of High Court before the Hon'ble Supreme Court of India and the same is pending before the Hon'ble Court.

^Includes advance amounting to ₹ 0.85 Lakhs (March 31, 2020: ₹ 23.11 Lakhs) given to Related Party.

13. Inventories

	Current	
	March 31, 2021	March 31, 2020
(Valued at lower of cost and Net realisable value)		
Raw Material		
Raw Material including packing materials	6,503.00	4,115.76
Finished Goods	18,824.34	29,879.51
Work in Progress	13,730.99	12,735.85
Traded Goods	-	-
	39,058.33	46,731.12
Mode of Valuation - Ref Note No. 4.1 of Accounting policy.		
Note		
The above includes Stock in transit		
Work in Progress	55.06	-
Finished Goods	60.62	849.62

Note: Inventories are hypothecated/ pledged against borrowings (Refer Note No. 23)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

14. Trade receivable

	Current	
	March 31, 2021	March 31, 2020
Secured	2,994.06	2,731.20
Unsecured	33,446.84	22,398.24
Trade Receivables which has significant increase in Credit Risk	-	-
Trade Receivable -Credit Impaired	248.73	113.87
	36,689.63	25,243.31
Impairment Allowance (Allowance for Bad and Doubtful Debt)		
Unsecured	-	-
Trade Receivables which has significant increase in Credit Risk	-	-
Trade Receivable -Credit Impaired	248.73	113.87
	248.73	113.87
	36,440.90	25,129.44

Note:

- No Trade Receivables due by directors and its officers of the Company.
- Allowances for credit losses of trade receivables has been estimated based on ageing of receivables and customer related specific information on specific case basis. Refer Note No. 48(b)(a)(i) for details in movement of loss allowance.
- Trade Receivables are hypothecated/ pledged against borrowings (Refer Note No. 23)

15. Cash and Cash Equivalents

	Current	
	March 31, 2021	March 31, 2020
Cash in hand	14.48	15.92
Balances with banks		
Current accounts	91.66	43.71
Cash Credit account	211.77	68.68
	317.91	128.31

16. Other Bank Balances (Other than Note No. 15)

	Current	
	March 31, 2021	March 31, 2020
Unpaid dividend accounts	14.01	11.39
Bank deposits maturity for more than 3 months but less than 12 months*	11,507.70	30.81
	11,521.71	42.20

*Held as lien by bank to the extent ₹ 45.55 Lakhs (March 31, 2020: ₹ 28.65 Lakhs)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

17. Equity Share Capital

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital				
Equity Shares of ₹ 1 each	20,00,00,000	2,000.00	20,00,00,000	2,000.00
	20,00,00,000	2,000.00	20,00,00,000	2,000.00
Issued Share Capital				
Equity Shares of ₹ 1 each	7,97,33,560	797.34	7,97,33,560	797.34
	7,97,33,560	797.34	7,97,33,560	797.34
Subscribed & Paid-up Share Capital				
Equity Shares of ₹ 1 each	7,95,24,560	795.24	7,95,24,560	795.24
Equity Shares forfeited of ₹ 1 each, Paid up ₹ 0.50 per Share	2,09,000	1.05	2,09,000	1.05
	7,97,33,560	796.29	7,97,33,560	796.29

a) Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/movements in number of shares outstanding at the beginning and at the end of the year.

b) Terms/ Rights attached to Equity Shares

The Parent Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the parent company. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the year ended March 31, 2021 the parent company has proposed final dividend of ₹ 5/- per share (March 31, 2020: ₹ 3/- per Share) subject to approval of members in the ensuing Annual General Meeting.

c) Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity Shares of ₹ 1/- each, fully paid up				
Ullas Sales Promotion LLP (Formerly known as Ullas Sales Promotion Limited)	2,16,30,860	27.20%	2,16,30,860	27.20%
Prahlad Rai Agarwala*	1,67,63,656	21.08%	1,67,63,656	21.08%
Ziyan Developers LLP	86,50,000	10.88%	86,50,000	10.88%

*holding shares jointly with Ghanshyam Prasad Agarwala and Kunj Bihari Agarwal, on behalf of a partnership firm

As per records of the Company, including its register of shareholders/members as on March 31, 2021, the above shareholding represents legal ownership of shares.

e) The Company has neither issued bonus shares nor has bought back any shares during last 5 years

f) No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

g) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

h) No calls are unpaid by any Director or Officer of the Company during the year.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

18. Other Equity

	Ref. Note	March 31, 2021	March 31, 2020
Securities Premium Reserve	18.1	6,880.31	6,880.31
General Reserve	18.2	4,231.17	4,231.17
Foreign Currency Translation Reserve	18.3	0.38	0.67
Retained Earnings	18.4	61,044.75	45,887.02
		72,156.61	56,999.17

Changes in Other Equity

18.1 Securities Premium Reserve

	March 31, 2021	March 31, 2020
Opening balance	6,880.31	6,880.31
Changes during the year	-	-
	6,880.31	6,880.31

18.2 General Reserve

	March 31, 2021	March 31, 2020
Opening balance	4,231.17	4,231.17
Changes during the year	-	-
	4,231.17	4,231.17

18.3 Foreign Currency Translation Reserve

	March 31, 2021	March 31, 2020
Opening balance	0.67	-
Changes during the year	(0.29)	0.67
	0.38	0.67

18.4 Retained Earnings

	March 31, 2021	March 31, 2020
Opening balance	45,887.02	42,559.49
Add: Profit for the period	17,525.90	6,190.34
Less: Remeasurement of Defined Benefit Plans (Net of tax)	17.56	13.32
Equity dividend	(2,385.73)	(2,385.73)
Tax on Equity dividend	-	(490.40)
	61,044.75	45,887.02

Nature and purpose of other reserves

Securities Premium Reserve

Securities Premium Reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

General Reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

Retained Earnings

This reserves represents the cumulative profit of company and effects of remeasurement of defined benefit obligation. This reserves can be utilised in accordance with the provisions of Companies Act, 2013.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

Other Comprehensive Income

Remeasurement of Defined Benefit Obligation

Remeasurement of defined benefit plans comprises actuarial gains and losses and return on plan assets (excluding interest income) which are recognised in other comprehensive income and then immediately transferred to retained earnings.

Foreign Currency Translation Reserve:

Reserve is created on translation of Financial Statements of Foreign Subsidiary into Presentation Currency.

19. Non Current Borrowings

	Non-Current	
	March 31, 2021	March 31, 2020
Secured Term Loan		
Rupee loan from a Bank	1,906.19	1,399.78
Less: Current portion of long term borrowings (Disclosed under other financial liabilities, Refer Note No. - 25)	552.10	309.87
Others	-	-
	1,354.09	1,089.91

Note:

- There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.
- Terms & conditions**
 - Term Loan with a balance of ₹ 562.60 Lakhs (March 31, 2020: ₹ 812.65 Lakhs) is repayable in 9 equal quarterly installments of ₹ 62.51 Lakhs and carries interest @ 8.90% to 9.15% per annum (March 31, 2020: @ 8.90% to 9.15% per annum). The said Term Loan having sanction limit of ₹ 1,150.00 Lakhs is secured by first charge by way of hypothecation of specific plant and machinery funded by bank.
 - Term Loan with a balance of ₹ 685.36 Lakhs (March 31, 2020: ₹ 548.90 Lakhs) is repayable in 65 equal monthly installments of ₹ 10.45 Lakhs and carries interest @ 9 % per annum (March 31, 2020: 9% per annum). The said Term Loan having sanction limit of ₹ 1,445.00 Lakhs is secured by first charge by way of hypothecation of specific plant and machinery funded by bank.
 - Term Loan with a balance of ₹ 658.23 Lakhs (March 31, 2020: ₹ 38.23 Lakhs) is repayable in 14 equal quarterly installments of ₹ 43.88 Lakhs and one quarterly installment of ₹ 41.88 Lakhs and last installment of ₹ 2.00 Lakhs and carries interest @ 8.85 % per annum (March 31, 2020: 8.85% per annum). The said Term Loan having sanction limit of ₹ 800.00 Lakhs is secured by exclusive charge by way of hypothecation of specific Plant & Machinery funded by bank.
 - No loans have been guaranteed by the directors and others.

20 . Lease Liabilities

	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Maturities of Lease Obligations (Refer Note No. 42)	1,469.95	686.39	130.47	296.06
	1,469.95	686.39	130.47	296.06

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

21. Provisions

	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Provision for Gratuity (Refer Note No.- 41)	27.23	24.10	265.43	255.51
Provision for Leave Encashment	17.45	43.89	1.17	3.12
Provision for Litigation, Claims & Contingencies (Refer Note No. 21.1)	-	-	70.55	70.55
	44.68	67.99	337.15	329.18

The Company has estimated the provision for pending litigation, claims and demands based on the assessment of probability for these demands being crystallising against the Company in due course.

21.1 Movement of Provision

Balance as at April 1, 2019	70.55
Provision utilized during the year	-
Balance as at March 31, 2020	70.55
Provision utilized during the year	-
Balance as at March 31, 2021	70.55

22. Other Liabilities

	Non-Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Deferred Revenue (Refer Note No. 49)	172.00	202.67	30.67	30.67
Statutory dues payable	-	-	526.92	468.84
Advances from customers	-	-	21.38	68.69
Others payables	-	-	2.78	2.59
	172.00	202.67	581.75	570.79

23. Current Borrowing

	Current	
	March 31, 2021	March 31, 2020
Loan Repayable on demand		
From banks:		
Cash Credit	2,705.78	6,277.40
Commercial Paper	-	-
Working Capital Demand Loans	8,932.15	10,231.38
Packing Credit	1,000.00	-
	12,637.93	16,508.78
The above amount includes		
Secured Loan	12,637.93	16,508.78

- a) i. Cash Credit including Working Capital Demand Loan & Packing Credit of Parent are secured by hypothecation of inventories, book debts and other current assets of the Company and further secured by second charge of movable and immovable fixed assets of Domjur Unit, West Bengal.
- ii. Cash Credit facility of a subsidiary are secured by hypothecation of inventories, book debts and other current assets of the subsidiary company. Further, the same has been secured by the corporate guarantee of an amount of ₹ 3,550 Lakhs given by the parent company
- b) Working Capital Demand Loans carries interest @3.00% to 10.00% p.a. (March 31, 2020: @7.05% to 10% p.a.)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

- c) Cash Credit are repayable on demand and carries interest @7% to 11% p.a. (March 31, 2020: @8.50% to 11.50% p.a.)
d) No loans have been guaranteed by the directors and others.
e) There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

24. Trade Payables

	Current	
	March 31, 2021	March 31, 2020
Due to micro and small enterprises (Refer Note No.-39)	1,164.71	25.69
Due to Creditors other than micro and small enterprises	15,096.64	13,449.10
	16,261.35	13,474.79

25. Other Financial Liabilities

	Current	
	March 31, 2021	March 31, 2020
Current Maturities of Long Term Borrowings (Refer Note No.19)	552.10	309.87
Interest Accrued but not due on borrowings	23.58	32.85
Book Overdraft	33.21	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	14.01	11.39
Security Deposits from customers	4,539.78	4,276.18
Capital Creditors	114.75	57.51
Dealers Incentive payable	1,178.03	1,879.16
Payable to employees	924.92	1,110.92
Others	325.03	395.09
	7,705.41	8,072.97

26. Current Tax Liabilities (Net)

	Current	
	March 31, 2021	March 31, 2020
Provisions for Taxation (Net of Payments)	1,946.76	2.13
	1,946.76	2.13

27. Revenue from Operations

	March 31, 2021	March 31, 2020
Sale of Products		
Finished Goods [#]	1,23,234.43	91,280.46
Semi-Finished Goods	2,725.70	435.85
Traded Goods	2,771.06	3,245.61
	1,28,731.19	94,961.92
Sale of services		
Service Income	2,210.72	2,105.91
	2,210.72	2,105.91
Other Operating Revenues		
Sale of Power	29.83	54.58
Scrap sale	159.48	138.40
Export Incentive	105.26	169.84
Deferred Revenue on Government Grant	30.67	33.63
	325.24	396.45
	1,31,267.15	97,464.28

[#]Net of discount and dealers incentives

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

A) Nature of goods and services

The following is a description of principal activities separated by reportable segments from which the Group generates its revenue

- a) The Group is engaged in the manufacturing of hosiery products and generates revenue from the sale of hosiery products and the same is only the reportable segment of the Group.

B) Disaggregation of Revenue

In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition.

	March 31, 2021	March 31, 2020
i) Primary Geographical Markets		
Within India	1,28,854.04	94,573.64
Outside India	2,087.87	2,494.19
	1,30,941.91	97,067.83
ii) (a) Major Products		
Hosiery Products	1,28,731.19	94,961.92
Others	-	-
	1,28,731.19	94,961.92
ii) (b) Sale of Services		
Service Income	2,210.72	2,105.91
Others	-	-
	2,210.72	2,105.91
iii) Timing of Revenue		
At a point in time	1,30,941.91	97,067.83
Over time	-	-
	1,30,941.91	97,067.83
iv) Contract Duration		
Long Term	-	-
Short Term	1,30,941.91	97,067.83
	1,30,941.91	97,067.83

C) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

	March 31, 2021	March 31, 2020
Receivables, which are included in 'Trade receivables'	36,440.90	25,129.44
Contract Assets	-	-
Contract Liabilities (Refer Note No. 22)	21.38	68.69
Total	36,419.52	25,060.75

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

D) Other Information

	March 31, 2021	March 31, 2020
Transaction price allocated to the remaining performance obligations	Nil	Nil
The amount of revenue recognised in the current year that was included in the opening contract liability balance	68.69	84.04
The amount of revenue recognised in the current year from performance obligations satisfied fully or partially in previous years	Nil	Nil
Performance obligations- The Companies in the Group satisfy the performance obligation on shipment/delivery.	Nil	Nil

Reconciliation of amount of revenue recognised in the statement of Profit & Loss with Contracted Price

	March 31, 2021	March 31, 2020
Revenue as per Contracted Price	1,43,835.21	1,07,486.14
Adjustments		
Significant Financing Component	-	-
Dealer incentive & Discount	12,893.30	10,418.31
Revenue from Contract with Customers	1,30,941.91	97,067.83

28. Other Income

	March 31, 2021	March 31, 2020
Interest Income		
On Bank deposits	184.76	18.81
On Receivable	53.66	98.64
On Loan to Bodies Corporate	18.00	2.81
	256.42	120.26
Other Non-Operating Income		
Profit on disposal of Property, Plant & Equipment (Net)	1.51	47.34
Gain on Disposal/Retirement of Right of Use Assets	38.98	-
Unspent Liabilities written back	155.31	442.53
Net Foreign Exchange gain	0.03	116.14
Insurance Claim Received	110.54	3.81
Gain on settlement of Derivative Instruments	150.38	-
Miscellaneous Income	15.58	7.01
Sub-Total	472.33	616.83
	728.75	737.09

29. Cost of Material Consumed

	March 31, 2021	March 31, 2020
Opening inventory	4,115.76	3,357.78
Add: Purchases	50,588.87	46,976.19
Less: Inventory at the end of the year	6,503.00	4,115.76
	48,201.63	46,218.21
Details of Raw Material Consumed		
Yarn / Than	34,209.75	32,948.87
Packing Material, Accessories and Other Material	13,991.88	13,269.34

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

30. Purchase of Traded Goods

	March 31, 2021	March 31, 2020
Hosiery Goods	2,880.38	1,522.70
	2,880.38	1,522.70

31. Changes in Inventories of Finished Goods and Work in Progress

	March 31, 2021	March 31, 2020
Opening Stock		
Traded Goods	-	2,698.69
Finished Goods	29,879.51	20,187.22
Work in Progress	12,735.85	11,985.56
	42,615.36	34,871.47
Closing Stock		
Traded Goods	-	-
Finished Goods	18,824.34	29,879.51
Work in Progress	13,730.99	12,735.85
	32,555.33	42,615.36
	10,060.03	(7,743.89)

32. Employee Benefit Expense

	March 31, 2021	March 31, 2020
Salaries, Wages and Bonus	5,074.64	6,291.79
Contribution to Provident and Other Funds	92.34	152.77
Gratuity*	84.37	93.62
Staff Welfare Expenses	17.44	29.39
	5,268.79	6,567.57

* For descriptive notes on disclosure of defined benefit obligation Refer Note No. 41

33. Finance Costs

	March 31, 2021	March 31, 2020
Interest Expenses		
-On Borrowing	1,089.79	1,719.46
-On Income Tax	199.50	-
Amortization of Lease Liability	84.13	85.38
Bank Charges	50.39	57.26
	1,423.81	1,862.10
Less: Transferred to Capital Work in Progress	(80.50)	-
	1,343.31	1,862.10

34. Depreciation & Amortisation Expense

	March 31, 2021	March 31, 2020
Depreciation of Plant, Property & Equipment	949.09	1,362.00
Amortisation of Intangible assets	123.72	178.87
Charge for Right to Use Assets	306.17	310.58
	1,378.98	1,851.45

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

35. Other Expenses

	March 31, 2021	March 31, 2020
Consumption of Stores and Spares	101.43	72.22
Sub-contracting/Job Worker Expenses	24,188.58	23,141.99
Power & Fuel	1,401.67	1,374.50
Freight Outwards and Forwarding Expenses	2,406.16	2,004.36
Rent	82.13	209.18
Rates and Taxes	125.20	102.10
Insurance	198.72	189.54
Repairs and Maintenance:		
- Plant and Machinery	350.69	251.63
- Building & Others	369.40	236.26
Advertising	5,287.83	7,011.09
Sales Promotion	15.22	69.12
Business Convention	390.70	458.20
Brokerage	1,700.97	1,110.15
Travelling and Conveyance	671.22	1,263.87
Communication Costs	96.80	130.98
Legal and Professional fees	269.60	267.57
Directors' Sitting Fees & Commission	69.95	58.90
Payment to Auditor (Refer Note Below)	34.20	34.81
Bad Debts/ Advance written off	27.76	37.52
Provision for Doubtful Trade Receivables	134.86	73.04
Royalty on Sales	27.36	60.00
Contribution for CSR Activities (Refer Note No.- 46)	276.60	224.93
Miscellaneous Expenses	895.17	1,143.02
	39,122.22	39,524.98
Remuneration to Auditors		
For Audit Fees	19.40	19.40
For Limited Review Fees	13.50	13.50
For Certification	0.95	1.50
Out of Pocket Expenses	0.35	0.41
	34.20	34.81

36. Tax Expense

	March 31, 2021	March 31, 2020
Current Tax for the year	6,129.57	2,657.72
Deferred Tax for the year	85.09	(449.81)
Tax Expense for current year	6,214.66	2,207.91
Income Tax for earlier years	-	-
Tax Expense in Statement of Profit & Loss	6,214.66	2,207.91

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

36.1 Reconciliation of estimated Income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Comprehensive Income

	March 31, 2021	March 31, 2020
Income before Income taxes	23,740.56	8,398.25
Indian Statutory Tax Rate u/s 115BAA of Income Tax Act, 1961	25.17%	25.17%
Estimated Income tax expenses	5,975.02	2,113.67
Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense:		
Expenses Disallowed for tax purpose	129.46	56.21
Deductions allowable under Income Tax Act	(55.77)	-
Income Taxable at lower rate*	14.28	(11.51)
Change in Effective Tax Rate	-	(384.02)
Deferred tax not recognised on Business Loss and Unabsorbed Depreciation	135.62	450.59
Others*	16.05	(17.03)
	239.64	94.24
Income Tax expense in the Statement of Profit and Loss	6,214.66	2,207.91

*includes impact of lower rate of tax @26.00% in case of three subsidiaries

37. Capital and Other Commitments

	March 31, 2021	March 31, 2020
Estimated amount of contracts remaining to be executed and not provided for (Net of advances)	1,229.13	1,299.06

38. Contingent Liabilities

	March 31, 2021	March 31, 2020
Demands/ claims by various government authorities and others not acknowledged as debts and contested by the government		
Sales Tax Matters (net of amount deposited under dispute ₹ Nil (March 31, 2020: ₹ 20.53 Lakhs)	-	143.33
Employees State Insurance (Financial Year - 2007-08 under Appeal)	0.40	0.40
Bank Guarantees outstanding	947.34	747.34
Guarantees Given to Bank		
- For Subsidiary (For loan outstanding ₹ 4,092.27 Lakhs (March 31, 2020: ₹ 4,025.96 Lakhs)	3,550.00	3,550.00
- For Others	200.00	200.00
Letter of Credit Outstanding	-	847.32
During the year 2013-14, the Company had challenged, before the Hon'ble High Court of Calcutta, the imposition of entry tax by the State Government of West Bengal on receipt of materials from outside the state on the ground that such imposition of entry tax is ultra vires / unconstitutional. The Company has received a favourable interim order dated June 5, 2013 and the matter is presently sub judice. Accordingly, the liability of ₹ 914.72 Lakhs (March 31, 2020: ₹ 820.71 Lakhs) (including interest) has not been provided in books of accounts.	914.72	820.71

Note:

a) The amount shown above represents the best possible estimate arrived at on the basis of available information. The uncertainties are dependent on outcome of different legal processes. The timing of future cash flows will be determinable only on receipt of judgements/decisions pending with various forums/authorities. The Group does not expect any reimbursements against above.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

b) The Code on Social Security, 2020 (Code) related to various employee benefits received Presidential assent in September, 2020 and has been published in the Gazette of India. However, the date on which the Code will come in effect has not been notified and the final rules/ interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

39. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 included in Trade payables

	March 31, 2021	March 31, 2020
Principal amount remaining unpaid to any supplier at the end of accounting year	1,164.71	25.69
Interest due on above	-	-
	1,164.71	25.69
Amount of interest paid by the Company to the suppliers in terms of Section 16 of the MSMED Act, 2006 alongwith amount paid to the suppliers beyond the respective due date	-	-
Amount of interest due and payable for the year of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act	-	-
Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of this Act	-	-

40 Dividend

The Board of Directors of Parent company at its meeting held on May 31, 2021 have recommended a payment of final dividend of ₹ 5/- per equity share (500%) of face value of ₹ 1/- each including a dividend of ₹ 2/- per share as a special gesture to the Shareholders at the time of pandemic for the financial year ended March 31, 2021. The same amounts to ₹ 3,976.23 Lakhs. The same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a liability.

41 Employee Benefit (Defined Benefit Plan)

The Group has a Defined Benefit Gratuity plan. Every employee who has completed at least five years or more of service is entitled to Gratuity on terms as per the provisions of The Payment of Gratuity Act, 1972. The Parent has got an approved gratuity fund which has taken an insurance policy with Life Insurance Corporation of India (LIC) to cover the gratuity liabilities. The gratuity liability for Subsidiary Companies is unfunded.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for the plan.

41(a)

	Non-Funded		Funded	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Change in Projected Benefit Obligations				
Obligations at beginning of the year	26.21	19.87	481.46	413.58
Current Service Cost	8.94	11.00	56.84	64.87
Past Service Cost	-	-	-	-
Interest Cost	1.83	1.53	33.71	31.85
Benefits Settled	-	-	(21.80)	(21.12)
Actuarial (gain) /loss (through OCI)	(6.79)	(6.19)	(28.87)	(7.72)
Obligations at end of the year	30.19	26.21	521.34	481.46

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

41(b)

	Non-Funded		Funded	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Change in Plan Assets				
Plan assets at beginning of the year, at fair value	-	-	228.05	195.33
Interest income	-	-	16.95	15.63
Actuarial gain /(loss) (through OCI)	-	-	(14.35)	1.85
Contributions	-	-	50.00	36.36
Benefits Settled	-	-	(21.78)	(21.12)
Plan assets at end of the year	-	-	258.87	228.05

41(c)

	Non-Funded		Funded	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Net Defined Benefit Liability / (Asset)				
Present value of defined benefit obligation at the end of the year	30.19	26.21	521.34	481.46
Fair value of plan assets at the end of the year	-	-	258.87	228.05
Net Liability/(Asset) recognised in the Balance Sheet	30.19	26.21	262.47	253.41

41(d)

	Non-Funded		Funded	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Expenses recognised in Statement of Profit and Loss				
Service cost	8.94	11.00	56.84	64.87
Interest cost (net)	1.83	1.53	16.76	16.22
Total expense recognised in Statement of Profit and Loss	10.77	12.53	73.60	81.09

41(e)

	Non-Funded		Funded	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Re-measurement gains / (losses) in OCI				
Actuarial (gain) / loss due to financial assumption changes	0.96	3.98	8.31	38.09
Actuarial (gain) / loss due to experience adjustments	(7.75)	(10.17)	(37.18)	(45.81)
Return on plan assets (greater)/less than discount rate	-	-	14.35	(1.85)
Total amount routed through OCI	(6.79)	(6.19)	(14.52)	(9.57)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

41(f) The major categories of plan assets of the fair value of the total plan assets are as follows:

Actuarial (gain)/loss due to experience adjustments	Non-Funded		Funded	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Investments with insurer	N.A.	N.A.	100%	100%

41(g) The principal assumptions used in determining gratuity benefit obligations for the Group are shown below:

	March 31, 2021	March 31, 2020
Discount Rate	6.90%	6.90%
Salary Escalation Rate	6.00%	6.00%
Mortality Rate	IALM (2012-14) table	IALM (2012-14) table
Withdrawal Rate	1% to 20%	1% to 20%

41(h) A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is as shown below:

Funded

	Sensitivity	March 31, 2021		March 31, 2020	
		Increase	Decrease	Increase	Decrease
Effects on Defined Benefit Obligation due to change in					
Discount Rate	1%	482.35	565.97	443.98	524.54
Further salary increase	1%	556.52	489.55	516.97	449.66
Withdrawal Rates	1%	526.05	515.97	486.17	476.06

Non-funded

	Sensitivity	March 31, 2021		March 31, 2020	
		Increase	Decrease	Increase	Decrease
Effects on Defined Benefit Obligation due to change in					
Discount Rate	1%	26.69	34.39	22.99	30.10
Further salary increase	1%	34.55	26.50	30.24	22.82
Withdrawal Rate	1%	30.12	30.22	25.92	26.45

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

41(i) The average duration of the defined benefit plan obligation at the end of the reporting period is 5.47 years (March 31, 2020: 5.68 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

	Non-funded Amount - ₹	Funded Amount - ₹
Expected benefits payment for the year ending on		
March 31, 2022	0.69	47.77
March 31, 2023	-	35.35
March 31, 2024	-	44.51
March 31, 2025	-	38.96
March 31, 2026	-	50.06
April 1, 2026 to March 31, 2031	2.23	228.37

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

41(j) Defined Contribution Plan

	March 31, 2021	March 31, 2020
Contribution to Provident/pension funds (Refer Note No. 32)	92.34	152.77

42. Leases

I. The Group has entered into agreements for taking on lease certain offices/ manufacturing units/ warehouses on lease and licence basis. The lease term is for a period ranging from 3 to 30 years, on fixed rental basis with escalation clauses in the lease agreements. In addition to the above, the Company has certain leasehold land under finance lease arrangements for terms ranging from 86 to 90 years, which has been reclassified from property, plant and equipment to right of use assets during the previous year.

The changes in the carrying value of right of use assets for the year ended March 31, 2021 are disclosed in Note No. 5(b).

II. Income / Expenses recognised in the Statement of Profit and Loss:

	March 31, 2021	March 31, 2020
Other Income		
Gain on retirement of Right of Use Assets	38.98	-
Rent		
Expense relating to short-term leases and leases of low value assets	82.13	209.18
Finance cost		
Interest expense on lease liabilities	84.13	85.38
Depreciation and impairment losses		
Depreciation on Right-of-Use Assets	306.17	310.58

Total cash outflow for leases for the period year ended March 31, 2021 is ₹ 354.13 Lakhs (March 31, 2020 ₹ 342.21 Lakhs)

III. Contractual maturities of lease liabilities

As per the requirement of Ind AS-107, maturity analysis of lease liabilities have been shown under maturity analysis for financial liabilities under Liquidity risk [Refer Note 48(b)(i)]. The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

	March 31, 2021
Within one year	233.62
After one year but not more than five years	827.96
More than five years	1,532.88

IV. Movement in Lease Liabilities

	March 31, 2021
Balance as at April 1, 2020	982.45
Additions during the year	1,257.81
Derecognised on account of Termination of Lease	369.84
Finance Cost accrued during the year	84.13
Payment of Lease Liabilities for the year	354.13
Balance as at March 31, 2021	1,600.42

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

43. Earning Per Share

	March 31, 2021	March 31, 2020
Profit as per Statement of Profit & Loss attributable to Equity Shareholders (a)	17,525.90	6,190.34
Weighted average number of Equity Shares (in number) (b)	7,95,24,560	7,95,24,560
Basic & Diluted Earnings Per Share (a/b) (Nominal Value - ₹ 1/- per share)	22.04	7.78

44 Related Party Disclosure

Related Party Disclosure

Names of related parties and related party relationship

Related parties where control exists

Related Parties which exercises Significant influence over the Company (Forming Part of Promotor Group)	Ullas Sales Promotion LLP (Previously known as Ullas Sales Promotion Ltd)(w.e.f. August 21, 2019)
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Related parties with whom transactions have taken place during the year

Key Management Personnel	Mr. Prahlad Rai Agarwala	Chairman
	Mr. Ghanshyam Prasad Agarwala	Vice Chairman
	Mr. Kunj Bihari Agarwal	Managing Director
	Mr. Ramesh Agarwal	Whole-time Director-cum-Chief Financial Officer
	Mr. Mukesh Agarwal	Whole-time Director
	Mr. Niraj Kabra	Executive Director
	Mr. Dinesh Kumar Lodha	Chief Executive officer
	Mr. Ashok Bhandari	Independent Director
	Mr. Dipak Kumar Banerjee	Independent Director
	Mr. Dharam Chand Jain	Independent Director
	Mr. Vinod Kumar Kothari	Independent Director
	Mr. Sushil Patwari	Independent Director
	Mrs. Alka Devi Bangur	Independent Director
	Mr Kundan Kumar Jha	Company Secretary
Relatives of Key Management Personnel	Mr. Suresh Agarwal	Son of Mr. Prahlad Rai Agarwala
	Mr. Manish Agarwal	Son of Mr. Ghanshyam Prasad Agarwala
	Mr. Ravi Agarwal	Son of Mr. Kunj Bihari Agarwal
	Mr. Vikash Agarwal	Son of Mr. Kunj Bihari Agarwal
	Mr. Rajnish Agarwal	Son of Mr. Ghanshyam Prasad Agarwala
	Mr. Siddhant Agarwal	Grand-Son of Mr. Prahlad Rai Agarwala
	Mrs. Rekha Patodia	Daughter of Mr. Prahlad Rai Agarwala
	Mrs. Shanti Devi Agarwal	Wife of Mr. Prahlad Rai Agarwala
	Mrs. Pushpa Devi Agarwal	Wife of Mr. Ghanshyam Prasad Agarwala
	Mrs. Lalita Devi Agarwal	Wife of Mr. Kunj Bihari Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Ramesh Agarwal
	Mrs. Seema Agarwal	Wife of Mr. Mukesh Agarwal
	Mrs. Shalini Agarwal	Wife of Mr. Vikash Agarwal
	Mrs. Sudha Agarwal	Wife of Mr. Suresh Agarwal
	Mrs. Sarita Patwari	Daughter of Mr. Ghanshyam Prasad Agarwala

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

Enterprises owned or significantly influenced by key management personnel or their relatives	Salasar Projects and Estates Pvt. Ltd.
	Sidhant Flats & Apartments Pvt Ltd.
	Salasar Infrastructure Ltd.
	Sobhasaria Properties Pvt Ltd
	Lambodar Hosiery Pvt Ltd.
	Arrow-Link Stitchers Pvt Ltd (w.e.f. April 22, 2019)
	Rupa Spinners Ltd.
	Salasar Developers & Garments Pvt Ltd.
	Bajrangbali Projects Ltd.
	Sidhant Textiles Pvt Ltd.
	Ganesh Enclave Ltd.
	Gajkarna Projects Private Limited
	Ravi Global Pvt Ltd.
	Kadambari Impex & Agency Pvt Ltd.
	Prahlad Rai Suresh Kumar - HUF
	Suresh Kumar Agarwal - HUF
	Mukesh Kumar Agarwal - HUF
	Ghanshyam Prasad Manish Kumar - HUF
	K B & Sons - HUF
	Ravi Agarwal - HUF
	M/s. Binod Hosiery
	Rajnish Enterprises Ltd.
	[Merged with Ullas Sales Promotion Pvt. Ltd (now converted to Ullas Sales Promotion LLP) w.e.f. August 21, 2019]
	Purvanchal Leasing Ltd.
	[Merged with Ullas Sales Promotion Pvt. Ltd (now converted to Ullas Sales Promotion LLP) w.e.f. August 21, 2019]
	Sidhant Credit Capital Ltd.
	Yashoda Hosiery Pvt. Ltd. (w.e.f. April 22, 2019)
	Rupa Foundation
	Tushar Knittings LLP
Private companies in which directors or relatives are director or members	Bajrangbali Hosiery Pvt. Ltd
	Rupa Dyeing & Printing Pvt. Ltd.
	Salasar Processors Pvt. Ltd.
	Bajrangbali Textiles Pvt. Ltd.
	Metro Towers Office Owners Association

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

Related party transactions

Particulars	Party	Nature of relationship	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent	Mr. Prahlad Rai Agarwala	Key Management Personnel	1.69	3.38
	Mr. Ghanshyam Prasad Agarwala		1.37	1.37
	Mr. Kunj Bihari Agarwal		0.58	0.58
	Mr. Mukesh Agarwal		0.65	1.30
	Mrs. Pushpa Devi Agarwal	Relatives of Key Management Personnel	0.22	0.22
	Bajrangbali Hosiery Pvt. Ltd	Private companies in which directors or relatives are director or members	1.74	1.74
	Salasar Infrastructure Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	1.30	1.30
	Rupa Spinners Ltd.		1.30	1.30
	Salasar Developers & Garments Pvt Ltd.		1.30	1.30
	Bajrangbali Projects Ltd.		1.30	1.30
	Sidhant Textiles Pvt Ltd.		1.37	1.37
	Ganesh Enclave Ltd.		1.30	1.30
	Ravi Global Pvt Ltd.		1.37	1.37
	Kadambari Impex & Agency Pvt Ltd.		1.37	1.37
	Sobhasaria Properties Pvt Ltd		1.73	1.73
	Others		1.15	1.15
Payment of Lease Liability	Sobhasaria Properties Pvt Ltd		28.80	28.80
Salary & Perquisites	Mr. Prahlad Rai Agarwala [#]	Key Management Personnel	208.00	208.00
	Mr. Ghanshyam Prasad Agarwala		102.00	102.00
	Mr. Kunj Bihari Agarwal		102.00	102.00
	Mr. Ramesh Agarwal		108.00	102.00
	Mr. Mukesh Agarwal		108.00	102.00
	Mr. Dinesh Kumar Lodha		378.25	255.75
	Mr. Niraj Kabra		17.35	18.43
	Mr. Kundan Kumar Jha		24.53	23.08
	Mr. Manish Agarwal	Relatives of Key Management Personnel	100.80	72.00
	Mr. Ravi Agarwal		100.80	72.00
	Mr. Vikash Agarwal		100.80	72.00
	Mr. Rajnish Agarwal		100.80	72.00
	Mr. Suresh Agarwal		67.20	48.00
	Mr. Siddhant Agarwal		42.00	42.00
	Mrs. Rekha Patodia		20.99	17.34
Sitting Fees & Commission	Mr. Dipak Kumar Banerjee	Independent Director	14.65	12.85
	Mr. Dharam Chand Jain		6.60	7.50
	Mr. Vinod Kumar Kothari		13.00	12.60
	Mr. Sushil Patwari		13.65	10.05
	Mr. Ashok Bhandari		13.65	10.20
	Mrs. Alka Devi Bangur		8.40	5.70

Corporate Overview

Governance Report

Financial Statements

Rupa & Company Limited / Annual Report 2020-21

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Party	Nature of relationship	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchases	Rupa Dyeing & Printing Pvt Ltd	Private companies in which directors or relatives are director or members	35.33	43.33
	Bajarangbali Textiles Pvt. Ltd.		37.12	-
Rental Income	Bajarangbali Textiles Pvt. Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	6.00	6.00
	Tushar Knittings LLP		3.60	3.60
Sub-contracting Expenses	Tushar Knittings LLP	Enterprises owned or significantly influenced by key management personnel or their relatives	37.22	46.33
	Arrow Link Stitchers Pvt Ltd		6,427.69	5,669.79
	Yashoda Hosiery Pvt. Ltd.		171.96	211.67
	Lambodar Hosiery Pvt Ltd.		114.98	128.60
	Rupa Dyeing & Printing Pvt Ltd	Private companies in which directors or relatives are director or members	1,047.26	843.28
	Salasar Processors Pvt. Ltd.		940.70	775.93
	Bajarangbali Textiles Pvt. Ltd.		26.21	20.17
Advertisement Expense	Gajkarna Projects Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives	4.48	3.94
CSR Expenditure	Rupa Foundation		25.35	46.68
Miscellaneous Expenses	Metro Towers Office Owners Association	Private companies in which directors or relatives are director or members	46.97	49.60
Dividend Paid	Mr. Prahlad Rai Agarwala	Key Management Personnel	86.67	86.74
	Mr. Ghanshyam Prasad Agarwala		39.51	39.58
	Mr. Kunj Bihari Agarwal		38.34	38.39
	Mr. Mukesh Agarwal		21.89	21.89
	Mr. Ramesh Agarwal		31.78	31.78
	Mr. Vikash Agarwal	Relatives of Key Management Personnel	52.66	52.66
	Mr. Ravi Agarwal		52.28	52.28
	Mr. Rajnish Agarwal		37.30	37.30
	Mr. Manish Agarwal		36.98	36.98
	Mr. Suresh Agarwal		32.00	32.00
	Others		76.96	76.96
	Ullas Sales Promotion LLP	Enterprises owned or significantly influenced by key management personnel or their relatives	648.93	648.93
	M/s Binod Hosiery		502.91	502.91
	Sidhant Credit Capital Ltd.		50.76	50.76
	Others		39.31	39.31

#includes Commission of ₹ 100 Lakhs (March 31, 2020: ₹ 100 Lakhs)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

Balance at end of the Period

Particulars	Party	Nature of relationship	March 31, 2021	March 31, 2020
Trade Payables and Other Liabilities (payable to employees)	Mr. Prahlad Rai Agarwala	Key Management Personnel	109.64	281.35
	Mr. Ghanshyam Prasad Agarwala		17.33	92.27
	Mr. Kunj Bihari Agarwal		9.32	26.47
	Mr. Ramesh Agarwal		41.70	88.51
	Mr. Mukesh Agarwal		47.26	152.63
	Mr. Dinesh Kumar Lodha		163.34	19.34
	Mr. Niraj Kabra		1.06	1.64
	Mr. Kundan Kumar Jha		0.83	1.58
	Mr. Manish Agarwal	Relatives of Key Management Personnel	29.70	60.96
	Mr. Rajnish Agarwal		30.17	61.04
	Mr. Ravi Agarwal		29.90	21.79
	Mr. Vikash Agarwal		31.94	30.47
	Mr. Suresh Agarwal		20.20	42.84
	Mr. Siddhant Agarwal		4.84	50.48
	Mrs Rekha Patodia		1.08	1.90
	Mrs. Puspa Devi Agarwal		0.83	0.61
	Mr. Dipak Kumar Banerjee	Independent Directors	5.00	5.00
	Mr. Dharam Chand Jain		3.00	3.00
	Mr. Vinod Kumar Kothari		5.00	5.00
	Mr. Sushil Patwari		5.00	5.00
	Mr. Ashok Bhandari		5.00	5.00
	Mrs. Alka Devi Bangur		3.00	3.00
Trade Payables	Rupa Dyeing & Printing Pvt Ltd	Private companies in which directors or relatives are director or members	218.49	168.77
	Salasar Processors Pvt. Ltd.		124.57	-
	Salasar Infrastructure Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	-	0.54
	Salasar Projects and Estates Pvt. Ltd.		-	0.21
	Sidhant Flats & Apartments Pvt Ltd.		-	0.21
	Sidhant Textiles Pvt Ltd.		-	0.57
	Ganesh Enclave Ltd.		-	0.54
	Ravi Global Pvt Ltd.		-	0.57
	Rupa Spinners Ltd.		-	0.54
	Bajrangbali Projects Ltd.		-	0.54
	Kadambari Impex & Agency Pvt Ltd.		-	0.57
	Lambodar Hosiery Pvt Ltd.		20.37	14.81
	Arrow Link Stitchers Pvt Ltd		496.97	97.03
	Tushar Knittings LLP		4.03	5.73
	Yashoda Hosiery Pvt. Ltd.		6.15	4.90
	M/s Binod Hosiery		0.55	0.41
	Gajkarna Projects Pvt. Ltd.		0.75	-
	Bajrangbali Textiles Pvt. Ltd.	Private companies in which directors or relatives are director or members	0.88	11.95
	Metro Towers Office Owners Association		2.99	6.72

Corporate Overview

Governance Report

Financial Statements

Rupa & Company Limited / Annual Report 2020-21

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Party	Nature of relationship	March 31, 2021	March 31, 2020
Advance against supply of goods & services	Sobhasaria Properties Pvt Ltd	Enterprises owned or significantly influenced by key management personnel or their relatives	0.85	-
	Salasar Processors Pvt. Ltd.	Private companies in which directors or relatives are director or members.	-	23.11
Financial Assets - Security Deposit	Salasar Projects and Estates Pvt. Ltd.	Enterprises owned or significantly influenced by key management personnel or their relatives	26.00	26.00
	Sidhant Flats & Apartments Pvt Ltd.		26.40	26.40
	Bajrangbali Projects Ltd.		3.00	3.00
	Ganesh Enclave Ltd.		3.00	3.00
	Rupa Spinners Ltd.		3.00	3.00
	Salasar Infrastructure Ltd.		3.00	3.00
	Salasar Developers & Garments Pvt Ltd.		3.00	3.00
Lease Liability Payable	Sobhasaria Properties Pvt Ltd		-	2.21

Note:

The remuneration to the Key Management Personnel and relatives of the Key Management Personnel does not include provision made for Gratuity as it is determined on an actuarial basis for the Company as a whole.

45. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker (CODM). The Chief Executive Officer of the Company being the CODM, assesses the financial performance and position of the Company and makes strategic decisions. The CODM primarily uses earnings before interest, tax, depreciation and amortisation (EBITDA) as performance measure to assess the performance of the operating segments. However, the CODM also receives information about the segment's revenues, segment assets and segment liabilities on regular basis.

A. Description of Segment

The Group is principally engaged in a single business segment viz., Hosiery Products.

B. Geographical Information

	March 31, 2021	March 31, 2020
i) Segment Revenue from External Customer		
Within India	1,28,854.04	94,573.64
Outside India	2,087.87	2,494.19
	1,30,941.91	97,067.83
ii) Carrying value of Non-Current Assets (other than financial instruments)		
Within India*	24,277.80	22,398.26
Outside India	-	-
Total	24,277.80	22,398.26

*Non-Current Assets for this purpose consists of Property, Plant and Equipment, Right to use Assets, Capital Work-in-Progress, Intangible Assets, Intangible Assets under Development, Deferred Tax Assets, Non-current Tax Assets and Other Non-Current Assets.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

46(a). Disclosures of Corporate Social Responsibility expenditure in line with the requirement of Guidance Note on "Accounting for Expenditure on Corporate Social Responsibility Activities".

	March 31, 2021	March 31, 2020
Amount of CSR expenditure to be incurred during the year	276.60	287.73
CSR Expenditure incurred during the year	319.30	224.93
Related party transaction as per Ind AS-24 in relation to CSR expenditure	25.35	46.68

(b) Pertaining to amendment on Section 135(5) disclosure on excess amount spent to be carry forward

	March 31, 2021
Opening Balance	-
Amount required to be spent during the year	276.60
Amount Spent during the year	319.30
Closing Balance to be carry forward	42.70

47. Capital Management

The Group's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term. Net debt (total borrowings less cash & cash equivalents) to equity ratio is used to monitor capital.

	March 31, 2021	March 31, 2020
Debt Equity Ratio	0.22:1	0.33:1

48. Disclosure on Financial Instrument

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note No. 4.12 to the financial statements.

(a) Fair Value of Financial Asset & Liabilities

The Company has measured its Financial Asset and Financial Liabilities at Amortised Cost, Hence no separate disclosure has been given for fair value hierarchy.

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

The carrying value of trade receivables, trade payables, cash and cash equivalents, loans, borrowings and other current financial assets and liabilities approximate their fair values largely due to the short-term maturities.

(b) Financial Risk Management

The Group has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The different types of risk impacting the fair value of financial instruments are as below:

a) Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, obtaining necessary approvals for credit and taking security deposits from trade channels.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

(i) Trade Receivables

Customer credit risk is managed by the Group subject to the Group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers are generally secured by obtaining security deposits/bank guarantee or other forms of credit insurance. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable disclosed in Note No. 14.

Reconciliation of Loss Allowance provision:-

	March 31, 2021	March 31, 2020
Loss Allowance at beginning of the year	113.87	40.83
Add / (Less) : Change in loss Allowance	134.86	73.04
Loss Allowance at end of the year	248.73	113.87

b) Liquidity Risk

The Group determines its liquidity requirement in the short term and long term. The Group manage its liquidity risk in a manner so as to meet its financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis

(i) Maturity Analysis for Financial Liabilities

The following are the remaining contractual maturities of financial liabilities as at March 31, 2021

	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-Derivative				
Trade payables	-	16,261.35	-	-
Borrowings	2,705.78	10,484.25	916.67	437.42
Other Financial Liabilities				
Interest Accrued but not due on Borrowings	-	23.58	-	-
Book Overdraft in Current Account	33.21	-	-	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	14.01	-	-	-
Security Deposits from Customers	4,539.78	-	-	-
Capital Creditors	-	114.75	-	-
Dealers Incentive payable	-	1,178.03	-	-
Payable to Employees	-	924.92	-	-
Lease Liabilities	-	130.47	277.24	1,192.71
Others	-	325.03	-	-
	7,292.78	29,442.38	1,193.91	1,630.13

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

The following are the remaining contractual maturities of financial liabilities as at March 31, 2020

	On Demand	Upto 1 Yr	1Yr - 3Yr	More than 3 Yr
Non-Derivative				
Trade payables	-	13,474.79	-	-
Borrowings	6,277.40	10,541.25	762.51	327.40
Other Financial Liabilities				
Interest Accrued but not due on Borrowings	-	32.85	-	-
Unpaid dividends (to be credited to Investor Education and Protection Fund as and when due)	11.39	-	-	-
Security Deposits from Customers	4,276.18	-	-	-
Capital Creditors	-	57.51	-	-
Dealers Incentive payable	-	1,879.16	-	-
Payable to Employees	-	1,110.92	-	-
Lease Liabilities	-	296.06	160.99	525.40
Others	-	395.09	-	-
	10,564.97	27,787.63	923.50	852.80

c) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include borrowings, trade receivable and trade payable.

(i) Interest Rate Risk: Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary. The Group is also exposed to interest rate risk on surplus funds parked in fixed deposits. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

A) Exposure to Interest Rate Risk

	March 31, 2021	March 31, 2020
Fixed Rate Instruments		
Financial Assets	11,859.50	249.51
Financial Liabilities	7,140.20	5,258.63
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities	13,544.12	17,908.56

B) Interest Rate Sensitivity: A change in 50 basis points in the interest rate would have following impact on Profit before Tax and Other Equity

	Sensitivity Analysis	March 31, 2021		March 31, 2020	
		Impact on		Impact on	
		Profit before Tax	Other Equity	Profit before Tax	Other Equity
Interest rate increase by	0.50%	(67.72)	(50.68)	(89.54)	(67.01)
Interest rate decrease by	0.50%	67.72	50.68	89.54	67.01

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

C) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group does not have significant foreign currency exposure and hence, is not exposed to any significant foreign currency risk.

Unhedged Foreign Currency Exposure

The Group's exposure to foreign currency in USD at the end of the reporting period expressed in INR is as follows

	March 31, 2021	March 31, 2020
Financial Assets		
Trade Receivables	1,011.35	787.93
EEFC Bank Account	111.76	48.62

D) Other Risk

The Companies in the Group has assessed and considered the impact of the ongoing Covid-19 pandemic on carrying amounts of Property Plant & Equipment, Investments, Trade receivables, Inventories, other assets and its business operations including all relevant internal and external information available up to the date of approval of these Financial Statements. Basis such evaluation, the management does not expect any adverse impact on its future cash flows, its liquidity position and shall be able to continue as a going concern. However, the eventual outcome of the impact of the Covid-19 pandemic may be different from those estimated as on the date of approval of these Consolidated Financial Statements owing to the nature and duration of the pandemic.

49. Movement of Deferred Revenue (Refer Note No. 22)

	March 31, 2021	March 31, 2020
Opening Balance	233.34	100.62
Government Grant received during the year	-	166.35
Less:		
Deferred Revenue on Government Grant recognised in Profit and Loss Statement	30.67	33.63
Current portion of Deferred Revenue Grant carried forward as at year end	30.67	30.67
Non-Current portion of Deferred Revenue Grant carried forward as at year end	172.00	202.67

50. The net worth of one of the Wholly-owned Subsidiary Company, Oban Fashions Pvt.Ltd. as at the balance sheet date is negative. As per the requirements of IND AS - 36 "Impairment of Assets", the Group has assessed the carrying value of the subsidiary vis-a-vis the recoverable value and envisaged that no impairment is required as at the Balance Sheet date.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

(₹ in Lakhs)

51. Additional information in respect of net assets and profit / loss of each entity within the Group and their respective share

	As at March 31, 2021		FY 2020-2021		FY 2020-2021		FY 2020-2021	
	Net Assets, i.e., total assets minus total liabilities		Share in profit		Share in profit		Share in profit	
	As % of Consolidated net assets	Amount (₹)	As % of Consolidated Profit & Loss	Amount (₹)	As % of Consolidated Other Comprehensive Income	Amount (₹)	As % of Total Comprehensive Income	Amount (₹)
Parent								
- Rupa & Company Ltd	98.75%	72,037.83	103.22%	18,089.95	62.88%	10.86	103.18%	18,100.81
Subsidiaries								
- Imoogi Fashions Pvt Ltd	0.41%	297.85	0.02%	4.35	1.62%	0.28	0.03%	4.63
- Euro Fashion Inners International Pvt Ltd	0.61%	445.85	0.02%	3.48	0.00%	-	0.02%	3.48
- Rupa Fashions Pvt Ltd	0.01%	4.22	0.00%	(0.45)	0.00%	-	0.00%	(0.45)
- Rupa Bangladesh Pvt Ltd	0.02%	11.14	-0.01%	(1.22)	-1.68%	(0.29)	-0.01%	(1.51)
- Oban Fashions Pvt Ltd	0.21%	156.01	-3.25%	(570.21)	37.17%	6.42	-3.21%	(563.79)
	100.00%	72,952.90	100.00%	17,525.90	100.00%	17.27	100.00%	17,543.17

	As at March 31, 2020		FY 2019-2020		FY 2019-2020		FY 2019-2020	
	Net Assets, i.e., total assets minus total liabilities		Share in profit		Share in profit		Share in profit	
	As % of Consolidated net assets	Amount (₹)	As % of Consolidated Profit & Loss	Amount (₹)	As % of Consolidated Other Comprehensive Income	Amount (₹)	As % of Total Comprehensive Income	Amount (₹)
Parent								
- Rupa & Company Ltd	97.45%	56,322.76	129.34%	8,006.53	51.11%	7.15	129.16%	8,013.68
Subsidiaries								
- Imoogi Fashions Pvt Ltd	0.51%	293.22	0.45%	27.69	0.71%	0.10	0.45%	27.79
- Euro Fashion Inners International Pvt Ltd	0.77%	442.37	0.09%	5.70	0.00%	-	0.09%	5.70
- Rupa Fashions Pvt Ltd	0.01%	4.66	-0.01%	(0.34)	0.00%	-	-0.01%	(0.34)
- Rupa Bangladesh Pvt Ltd	0.02%	12.65	-0.02%	(1.39)	4.79%	0.67	-0.01%	(0.72)
- Oban Fashions Pvt Ltd	1.25%	719.80	-29.85%	(1,847.85)	43.39%	6.07	-29.69%	(1,841.78)
	100.00%	57,795.46	100.00%	6,190.34	100.00%	13.99	100.00%	6,204.33

The amount stated above in respect of subsidiaries are as per the Standalone Financial Statements of each of individual entities, before making any adjustments for intra-group transactions and/or balances.

52. In case of Oban Fashions Private limited (one of the subsidiary), Trade Receivables include certain balances in respect of which confirmation of balances are pending receipt/under reconciliation due to the Covid 19 pandemic causing intermittent disruption of activities owing to lockdown by respective states, However, in the opinion of the management, these trade receivables would, in the ordinary course of business, realize the value stated in the accounts.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2021

53. The Board of Directors of the Parent company at its meeting held on December 9, 2020 has approved a scheme of arrangement between the Company and it's Wholly owned Subsidiary, Oban Fashions Pvt. Ltd. (OFPL) wherein the premium brand undertaking of OFPL shall be demerged and transferred to the Company having an appointed date of April 1, 2021 and business pertaining to trading in semi-finished hosiery goods and allied items, with its presently established and self-sustaining organizational framework, shall remain in OFPL. The application for the said scheme has been filed by the Parent Company with Hon'ble National Company Law Tribunal, Kolkata on December 30, 2020. The Parent Company envisages that the arrangement would open avenues for the demerged undertaking across various markets of the Parent Company leading to higher and rapid growth for the demerged operations. The Parent Company also envisages that proposed consolidation of business would bring benefits from potential commercial synergies by optimally utilizing the common resources. The Parent Company is awaiting regulatory approvals for the same.

54. Previous year figures have been reclassified/regrouped wherever considered necessary.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

Sd/-

Ankit Dhelia

Partner
Membership No. 069178

Place: Kolkata
Date: May 31, 2021

Sd/-

Prahlad Rai Agarwala

Chairman

DIN: 00847452

Sd/-

Ramesh Agarwal

Whole-time Director-cum-

Chief Financial Officer

DIN: 00230702

For and on behalf of the Board of Directors

Sd/-

Ghanshyam Prasad Agarwala

Vice-Chairman

DIN: 00224805

Sd/-

Dinesh Kumar Lodha

Chief Executive Officer

Sd/-

Kunj Bihari Agarwal

Managing Director

DIN: 00224857

Sd/-

Kundan Kumar Jha

Company Secretary

Membership No. ACS17612

AOC - 1

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

Statement containing salient features of the Financial Statements of Subsidiaries/ Associate Companies/ Joint Ventures

Part "A": Subsidiaries

(₹ in Lakhs)					
Particulars	1	2	3	4	5
Name of the Subsidiary Companies	Euro Fashion Inners International Private Limited	Imoogi Fashions Private Limited	Oban Fashions Private Limited	Rupa Fashions Private Limited	Rupa Bangladesh Private Limited
The date since when the subsidiary was acquired	April 26, 2005	September 15, 2010	December 29, 2015	December 11, 2019	September 1, 2019
Financial Year ending on	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
Reporting Currency	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Bangladesh Taka
Exchange Rate on the last day of the Financial Year in the case of foreign subsidiaries	N.A.	N.A.	N.A.	N.A.	INR 0.8635 per BDT
Share Capital	410.00	1.00	991.00	5.00	13.37
Reserves and Surplus	35.85	296.85	-834.99	-0.78	-2.23
Total Assets	487.36	514.19	7,074.25	4.51	11.54
Total Liabilities	41.51	216.34	6,918.24	0.30	0.40
Investments	-	-	-	-	-
Turnover	8.14	243.52	5,227.15	-	-
Profit/ (Loss) before Tax	4.68	6.05	-570.21	0.45	-1.22
Provision for Tax	1.19	1.70	-	-	-
Profit/ (Loss) after Tax	3.48	4.35	-570.21	0.45	-1.22
Proposed dividend	-	-	-	-	-
% of shareholding	100	100	100	100	100

Notes:

- Names of the subsidiaries which are yet to commence operations : Rupa Fashions Private Limited
Rupa Bangladesh Private Limited
- Names of the subsidiaries which have been liquidated or sold during the year : Not Applicable

Part "B": Associates and Joint Ventures

The Company does not have an associate or a joint venture, therefore, the requirement under this part is not applicable to the Company.

For and on behalf of the Board of Directors

Sd/-
Prahlad Rai Agarwala
Chairman
DIN: 00847452

Sd/-
Ghanshyam Prasad Agarwala
Vice-Chairman
DIN: 00224805

Sd/-
Kunj Bihari Agarwal
Managing Director
DIN: 00224857

Sd/-
Ramesh Agarwal
Whole-time Director-cum-
Chief Financial Officer
DIN: 00230702

Sd/-
Dinesh Kumar Lodha
Chief Executive Officer

Sd/-
Kundan Kumar Jha
Company Secretary
Membership No. ACS17612

Place: Kolkata
Date: May 31, 2021

Notes

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Notes

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