



Date: September 03, 2021

To, The General Manager Capital Market(Listing) National Stock Exchange of India Ltd. Exchange Plaza, BKC Bandra-Kurla Complex, Bandra (East), Mumbai-400 051.	To, Dy. General Manager Marketing Operations (Listing) The Bombay Stock Exchange P.J. Towers, 25th Floor, Dalal Street, Fort Mumbai 400 001.
Symbol: RUBYMILLS	Scrip Code: 503169

Subject: Submission of Annual Report for the financial year 2020-21.

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that the 105th Annual General Meeting of the Company will be held on Tuesday, September 28, 2021. Please find enclosed copy of the Annual Report for the financial year 2020-21.

Kindly take the above on record and acknowledge the receipt.

For The Ruby Mills Limited

Dipti Samant



**Dipti Samant
Company Secretary & Compliance Officer
FCS 10245**



THE RUBY MILLS LIMITED

Registered Office Ruby House, J K Sawant Marg, Dadar West, Mumbai 400028, India | CIN L17120MH1917PLC000447
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ANNUAL REPORT

2020 • 21

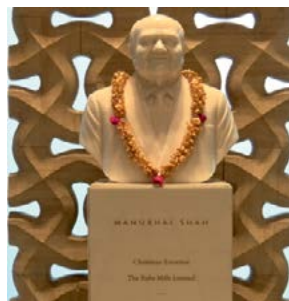
MANUBHAI SHAH

Whether in business or social work, Manubhai Shah reflected all that a single being could achieve. As a Visionary business leader, he took Ruby Mills to new heights by constantly innovating the fabrics and business practices.

In his heart, he held the belief that he had been given enough and upheld the responsibility to give back to those in need. Dedicated to making the world a better place, his legacy is immortal and he will be remembered for years to come.

Truly, a life beyond ordinary.

A Life Beyond Ordinary



The book release of 'Manubhai Shah | A Life Beyond Ordinary' and statue unveil function in the hands of (from left) Shri Bharat Shah, Shri Viraj Shah, Smt Arunaben Shah, Shri Hiren Shah on July 21, 2021

View the E-book here : www.rubymills.com/mcs-book • Scan the QR code for the function video



THE RUBY MILLS LIMITED

Chairman Emeritus

Smt. Aruna Manharlal Shah

Board of Directors

Shri Hiren Manharlal Shah
Shri Bharat Manharlal Shah
Shri Viraj Manharlal Shah
Shri Purav Hiren Shah

Independent Directors

Shri Shardul J. Thacker
Shri Yogen S. Lathia
Shri Mehernosh R. Currawalla
Shri Pradip N. Kapasi (Resigned on 17th December, 2020)
Smt Jasvanti A. Patel
Shri Rahul G. Divan

Non-Executive Non - Independent Director

Smt Aruna Manharlal Shah (Till 16th March, 2021)
Shri Deepak R. Shah (w.e.f 30th September, 2020)

Chief Financial Officer (Compliance Officer*)

Shri S. Jayaraman (*From 15th February, 2021)

Company Secretary & Compliance Officer

Mr Pranav Maru (Till 14th February, 2021)

Solicitors

Federal & Company
Rashmikant & Partners

Statutory Auditors

M/s. C N K & Associates LLP, Chartered Accountants, Mumbai

Bankers to the Company

State Bank of India	Indusind Bank Limited
Bank of India	Bank of Baroda

Registered Office

Ruby House, J. K. Sawant Marg, Dadar West, Mumbai - 400 028,
Email: info@rubymills.com; Phone: +91-22-24387800; Website: www.rubymills.com

Plant Locations

Dhamni Complex	Kharsundi Complex
Village Dhamni	Village Kharsundi
Taluka Khalapur	Taluka Khalapur
Dist. Raigad	Dist. Raigad

Registrar and Share Transfer Agent

Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building,
Opp.Vasant Oasis Makwana Road, Marol Andheri (E), Mumbai - 400 059
Tel.: 022-62638200, Fax: 022-62638299

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SUMMARISED FINANCIAL DATA
Amount (In ₹ Lakhs)

Sr. No	Particular	2015-16 (IGAAP)	2016-17 (Ind AS)	2017-18 (Ind AS)	2018-19 (Ind AS)	2019-20 (Ind AS)	2020-21 (Ind AS)
1	Total Revenue	22,907	21,830	20,798	20,090	19,301	13,351
2	Profit Before Depreciation and interest	8,265	7,366	6,297	4,817	5,498	4,849
3	Finance Cost	1,305	1,249	1,051	929	509	787
4	Depreciation and amortization Expense	1,956	1,499	1,547	1,363	1,201	841
5	Profit Before Tax	5,004	4,618	3,699	2,525	3,787	3,221
6	Provision for Tax including Current tax and Adjustment of earlier Years	1,078	1,400	1,237	911	1,083	571
7	Provision for Deferred tax	(51)	(523)	(1,054)	(166)	(66)	65
8	Profit After Tax and Before Prior Period and Exceptional Items	4,078	3,741	3,516	1,708	2,770	2,585
9	Profit After Tax, Prior Period and Exceptional Items	4,078	3,741	3,516	1,708	2,770	2,585
10	Other Comprehensive Income	-	6	34	(15)	(7)	37
11	Total Comprehensive Income for the period	4,078	3,741	3,551	1,765	2,763	2,622
	Add: Surplus Brought Forward	5,007	4,325	8,071	11,270	12,683	14,740
	Balance available for Appropriation	9,085	8,072	11,622	13,035	15,446	17,362

THE RUBY MILLS LIMITED

(CIN: L17120MH1917PLC000447)

Registered Office:

Ruby House, J. K. Sawant Marg, Dadar (W), Mumbai-28

Email : - info@rubymills.com, Website : - www.rubymills.com

Phone : 022-24387800/30997800, Fax: +91-22-24378125.

NOTICE

Notice is hereby given that the Hundred And Fifth (105th) Annual General Meeting (AGM) of the Members of The Ruby Mills Limited will be held on Tuesday, 28th September, 2021 at 4:30 P.M. via Video Conferencing mode, conducted and moderated from the Registered office of the Company at Ruby House, J.K. Sawant Marg, Dadar(W), Mumbai-400028 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare the final dividend on Equity Shares for the financial year ended 31st March, 2021.
3. To appoint director in place of Shri. Hiren M. Shah (DIN - 00071077) who retires by rotation and being eligible for re-appointment, offers himself for re-appointment.

SPECIAL BUSINESS**4. Ratification of Cost Auditor Remuneration payable for financial year 2021-22**

To consider and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules framed thereunder, as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of ₹ 1,25,000/- (Rupees One Lakh and Twenty Five Thousand Only) plus taxes, if any, as applicable and re-imburement of out of pocket expenses, payable to Shri. Dakshesh H. Zaveri, Cost Accountant, (Firm Registration Number-102183), who has been appointed by the Board of Directors as Cost Auditor of the Company to conduct the audit of the cost records of the Company’s Textile manufacturing units at Dhamni and Kharsundi Plant for the financial year 2021-22.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, all the Directors of the Company or the Chief Financial Officer or the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings, including any agreements related thereto, as may be necessary, proper, desirable or expedient.”

5. Approval of Remuneration to be paid to Shri. Hiren M. Shah (DIN-00071077), Executive Chairman of the Company:

To consider and if thought fit, to pass with or without modification(s), the following as a **Special Resolution**:

“RESOLVED THAT pursuant to Sections 2(54), 188, 196, 197, 198 and 203 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 (“the Act”), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being) consent of the Members be and is hereby accorded for fixing the remuneration of ₹ 15,00,000/- (Rupees Fifteen Lakh) per month from 1st April, 2022 to 31st March, 2024 payable to Shri. Hiren M. Shah, Executive Chairman of the Company inclusive of the perquisites as set out in the Explanatory Statement annexed to the notice convening the AGM.”

RESOLVED FURTHER THAT pursuant to Section 197 and other applicable provisions of the Companies Act,

2013, read with Schedule V to the Act and all other applicable provisions of the Companies Act, 2013 and as approved by Central Government or such other competent authority, if required, the remuneration as set out above be paid as minimum remuneration to Shri. Hiren M. Shah notwithstanding that in any financial year of the Company during his tenure as Executive Chairman, the Company has made no profits or profits are inadequate.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the terms of appointment of the appointee, including relating to remuneration, as it may, at its discretion deem fit, from time to time, provided however that the remuneration after the alteration/variation shall not exceed the limits specified in Schedule V to the Companies Act 2013 or any Statutory amendment or re-enactment thereof in force.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, all the Directors of the Company or the Chief Financial Officer or the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings, including any agreements related thereto, as may be necessary, proper, desirable or expedient.”

6. Approval of Remuneration to be paid to Shri. Bharat M. Shah (DIN-00071248), Managing Director of the Company:

To consider and if thought fit, to pass with or without modification(s), the following as a **Special Resolution:**

“RESOLVED THAT pursuant to Sections 2(54), 188, 196, 197, 198 and 203 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 (“the Act”), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being) consent of the Members be and is hereby accorded for fixing the remuneration of ₹ 15,00,000/- (Rupees Fifteen Lakh) per month from 1st April, 2022 to 31st March, 2024 payable to Shri. Bharat M. Shah, Managing Director of the Company inclusive of the perquisites as set out in the Explanatory Statement annexed to the notice convening the AGM”

“RESOLVED FURTHER THAT pursuant to Section 197 and other applicable provisions of the Companies Act, 2013, read with Schedule V to the Act and all other applicable provisions of the Companies Act, 2013 and as approved by Central Government or such other competent authority, if required, the remuneration as set out above be paid as minimum remuneration to Shri. Bharat M. Shah notwithstanding that in any financial year of the Company during his tenure as Managing Director, the Company has made no profits or profits are inadequate.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the terms of appointment of the appointee, including relating to remuneration, as it may, at its discretion deem fit, from time to time, provided however that the remuneration after the alteration/variation shall not exceed the limits specified in Schedule V to the Companies Act 2013 or any Statutory amendment or re-enactment thereof in force.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, all the Directors of the Company or the Chief Financial Officer or the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings, including any agreements related thereto, as may be necessary, proper, desirable or expedient.”

7. Approval of Remuneration to be paid to Shri. Viraj M. Shah (DIN-00071616), Managing Director of the Company:

To consider and if thought fit, to pass with or without modification(s), the following as a **Special Resolution:**

“RESOLVED THAT pursuant to Sections 2(54), 188, 196, 197, 198 and 203 read with Schedule V and other

applicable provisions if any, of the Companies Act, 2013 (“the Act”), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being) consent of the Members be and is hereby accorded for fixing the remuneration of ₹ 15,00,000/- (Rupees Fifiteen Lakh) per month from 1st April, 2022 to 31st March, 2024 payable to Shri. Viraj M. Shah, Managing Director of the Company inclusive of the perquisites as set out in the Explanatory Statement annexed to the notice convening the AGM”

“RESOLVED FURTHER THAT pursuant to Section 197 and other applicable provisions of the Companies Act, 2013, read with Schedule V to the Act and all other applicable provisions of the Companies Act, 2013 and as approved by Central Government or such other competent authority, if required, the remuneration as set out above be paid as minimum remuneration to Shri. Viraj M. Shah notwithstanding that in any financial year of the Company during his tenure as Managing Director, the Company has made no profits or profits are inadequate.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter or vary the terms of appointment of the appointee, including relating to remuneration, as it may, at its discretion deem fit, from time to time, provided however that the remuneration after the alteration/variation shall not exceed the limits specified in Schedule V to the Companies Act 2013 or any Statutory amendment or re-enactment thereof in force.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, all the Directors of the Company or the Chief Financial Officer or the Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings, including any agreements related thereto, as may be necessary, proper, desirable or expedient.”

**By order of the Board
For The Ruby Mills limited**

**Hiren M. Shah
Executive Chairman
DIN 00071077**

**Place: Mumbai
Dated: 13th August,2021**

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the **Item No. 4 to Item No. 7** of the Notice is appended hereto.
2. Relevant documents referred to in this Notice shall be made available for inspection in accordance with the applicable statutory requirements based on requests received by the Company at info@rubymills.com.
3. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs ("MCA") followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time (collectively referred to as "MCA Circulars"), MCA has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
4. The transcript of the AGM will be hosted on the website of the Company post the AGM.
5. The AGM shall be deemed to be held at the Registered Office of the Company at Ruby House, J. K. Sawant Marg, Dadar, Mumbai- 400028, as prescribed under the above mentioned circulars.
6. As the AGM shall be conducted through VC / OAVM and physical attendance of Members has been dispensed with, the facility for appointment of Proxy by Members is not available for this AGM. Accordingly, proxy form and attendance slip including route map have not been annexed with this notice.
7. Non-individual Members (i.e., Institutional / Corporate Members) intending to participate through their Authorized Representatives are requested to send a scanned copy (in JPEG / PDF format) of a duly certified Board Resolution authorizing their representative(s) to participate and vote on their behalf at the AGM (through e-voting), pursuant to Section 113 of the Act, to the Company's Registrar and Share Transfer Agent at vinod.y@bigshareonline.com with a copy marked to info@rubymills.com.
8. In case of joint holders participating at the AGM together, only such joint holder who is higher in the order of names will be entitled to vote.
9. Subject to the provisions of the Act, dividend as recommended by the Board, if declared at the meeting will be paid within a period of 30 days from the date of declaration, to those members whose name appear on the Register of Member as on Monday, 20th September, 2021.
10. Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other permitted means due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Members, subject to availability of postal services and /or courier services.
11. Pursuant to the amendments in the Income Tax Act, dividend income is taxable in the hands of the shareholders from 1st April 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending email to the Company's email address at info@rubymills.com. For the detailed process, please visit website of the Company www.rubymills.com
12. Information required pursuant to Regulation 36(3) of the SEBI Listing Regulations read with the applicable provisions of Secretarial Standard-2, in respect of the Directors seeking appointment/ re-appointment, is provided in the Corporate Governance Report, forming part of the Annual Report 2020-21.
13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of

the Act, the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and any other documents referred to in the accompanying Notice and Explanatory Statements, shall be made available for inspection in accordance with the applicable statutory requirements based on the requests received by the Company at info@rubymills.com.

14. Members who hold shares in dematerialised form are requested to direct any change of address/bank mandate to their respective Depository Participant.
15. Members holding shares in physical form are requested to notify/send any change in their address/bank mandate to the Company's Registrar and Share Transfer Agent- M/s. Bigshare Services Private Limited having its office at 1st Floor, Bharat tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri (E), Mumbai - 400059 Tel No.: 022-62638200 Fax No.: 022-62638299 E-mail: vinod.y@bigshareonline.com Website: <https://www.bigshareonline.com>.

Members may also address all other correspondences to the Registrar and Share Transfer Agent at the address mentioned above.

16. Electronic Dispatch of Annual Report and Process for Registration of e-mail Id for obtaining the Annual Report:

Pursuant to Sections 101 and 136 of the Act read with the relevant Rules made thereunder and Regulation 36 of the SEBI Listing Regulations, companies can send Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses either with the Company or with the Depository Participant(s). In accordance with the Circulars issued by MCA and SEBI and owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith) due to COVID-19 pandemic situation, such statements including the Notice of the 105th AGM are being sent through electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice of the Meeting and the Annual Report 2020-21 is available on the Company's website www.rubymills.com, website of the Stock exchanges i.e. BSE i.e., www.bseindia.com and NSE i.e., www.nseindia.com. The AGM Notice is also disseminated on the website of NSDL i.e. www.evoting.nsdl.com. Members who have not registered their e-mail address with the Company or their Depository Participant are requested to register their e-mail address in the following manner:

For shares held in Physical form	<ol style="list-style-type: none"> 1. Send Scanned copy of the following documents by email to investor@bigshareonline.com <ol style="list-style-type: none"> a. A signed request letter mentioning your name, folio number and complete address b. Self-attested scanned copy of the PAN Card, and c. Self-attested scanned copy of any document (such as Aadhaar card, Driving License, Voting card, Passport) in support of the address of the Members as registered with the Company
For shares held in Dematerialized form	The Members holding shares in electronic mode are also requested to register/update their email address, PAN and Bank Account details with the Depository Participant where their respective dematerialised accounts are maintained.

17. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in securities market. Members holding shares in dematerialised form are therefore requested to submit their PAN to the Depository Participant(s) with whom they are maintaining their dematerialised accounts. Members holding shares in physical form can write to the Registrar and Share Transfer Agent with their PAN details.
18. Members may note that, as mandated by SEBI, effective April 1, 2019, requests for effecting transfer of securities held in physical mode cannot be processed by the Company, unless the securities are held in dematerialized form. Hence, Members are requested to dematerialize their shares if held in physical form.
19. Pursuant to the provisions of Section 72 of the Act read with the Rules made thereunder, Members holding shares in a single name may avail the facility of nomination in respect of the shares held by them. Members holding shares in physical form may avail this facility by sending a nomination in the prescribed Form No. SH-

13 to the Registrar and Share Transfer Agent. The said form is available on the Company's website. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.

20. The Register of Members and the Share Transfer Books of the Company shall remain closed from 21st September, 2021 to 28th September, 2021 (both days inclusive) for the purpose of Annual General Meeting.
21. Transfer of Unclaimed / Unpaid amounts to the Investor Education and Protection Fund (IEPF): Pursuant to the provisions of Section 123 of Companies Act, 2013 and Section 205A and 205C of the Companies Act, 1956, the Company has transferred the unclaimed final dividend for the year 2012-13 on due date to the Investor Education and Protection Fund established by the Central Government. The Company will accordingly transfer unclaimed dividend amount pertaining to Dividend for the year 2013-14 to the Investors Education and Protection Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividend lying with the Company on the website of the Company <http://www.rubymills.com/investors/investors-iepf-information> and on the website of the Ministry of Corporate Affairs.

Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act, and the applicable rules.

22. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company or its Registrar.
23. The members whose name is appearing in the Registers of Members / list of Beneficial Owners as on 20th September, 2021 i.e. prior to the commencement of book closure, being the cut-off date, are entitled to vote on Resolutions set forth in the Notice. Members may cast their votes on electronic system from any place other than venue of the meeting (remote-e-voting). The remote e-voting period will commence at 09:00 A.M. on 25th September, 2021 and will end at 27th September, 2021 P.M. on 05:00 P.M.
24. The Members who have cast their votes by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote.
25. Shri. Makarand M. Joshi, Partner, M/s. Makarand M. Joshi & Co., Practicing Company Secretaries is appointed as a Scrutinizer to scrutinize the voting and remote e-voting process, in a fair and transparent manner.
26. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
27. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
28. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.rubymills.com and on the website of the Agency M/s. Bigshare Services Private Limited (Registrar & Share Transfer Agents). The Company shall simultaneously forward the results to the Stock Exchanges where the Company's shares are listed.

29. Member who is desirous of getting any information as regard to the business to be transacted at the meeting are requested to write their queries to the Company at least seven days in advance of the meeting in order to keep the information required readily available at the meeting.
30. M/s. Bigshare Services Private Limited having its office at 1st Floor, Bharat tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri (E), Mumbai - 400059 are the Registrar and Transfer Agent for shares held in physical form and in electronic / demat form. The Register of Members is maintained at the Office of the Registrar and Share Transfer Agents.

Important Communication to Members

1. Electronic copy of the Notice of the 105th (Hundred and Fifth) Annual General Meeting of the Company inter alia indicating the process and manner of e-voting are being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. The requirement of sending physical copy is dispensed with due to COVID-19 pandemic.

2. Voting by electronic means

- i. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- ii. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- iii. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- iv. The attendance of the Members attending AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- v. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
- vi. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.rubymills.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

- vii AGM will be convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on 25th September, 2021 at 09:00 A.M. and ends on 27th September, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **“process for those shareholders whose email ids are not registered”**.
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password
- a) Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

III. Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinisers@mmjc.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to (Shri. Anubhav Saxena)at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@bigshareonline.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@bigshareonline.com.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at info@rubymills.com. The same will be replied by the company suitably.

**By order of the Board
For The Ruby Mills Limited**

**Hiren M. Shah
Executive Chairman
DIN: 00071077**

**Place: Mumbai
Dated: 13th August, 2021**

Additional Information on Director Recommended for Appointment/Reappointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015

Particulars	Shri. Hiren M. Shah
Date of Birth (DD/MM/YYYY)	12 th May 1954
Date of Appointment as Director (DD/MM/YYYY)	1 st April 2018
Qualification	He is a qualified Textile Technologist from India's premier Institution VJTI and presently, the Executive Chairman of the Company.
Brief resume & Expertise In specific functional areas	He has rich and varied experience in management of the Textile Mill for the last 43 years. He was the Chairman of the Mill Owners Association for a period of 3 years until year 2001. Under his tenure as Chairman of Mill Owners Association, he had taken an initiative to convince the Government on restructuring of fiscal levies. He has been appointed as a Member of The Textile Institute International, U.K. He was the Chairman of Bombay Textile Research Association (BTRA). He is the Chairman of Confederation of Indian Textile Industry (CITI).
Directorships in other Public Limited Companies	Nil
Directorships in Private Limited Companies	1) Hiren Brothers Investment Company Private Limited 2) Ruby Travels Private Limited 3) Galore International Projects Private Limited 4) Ruby Sales and Services Private Limited
Committee Positions held in other Companies: C - Chairman M - Member	Nil
No. of shares held in the Company	4,90,300 fully paid up Equity shares
Relationship between Director inter-se	Brother of Shri. Bharat M. Shah and Shri. Viraj M. Shah, Father of Shri. Purav H. Shah

EXPLANATORY STATEMENT

(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

As required by the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statements set out all material facts relating to the business mentioned under **Item Nos. 4 to Item Nos. 7** of the accompanying Notice.

Item No.4

Ratification of Cost Auditor Remuneration payable for financial year 2021-22

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of Shri Dakshesh H. Zaveri of M/s. D.H. Zaveri, Cost Accountants, to conduct the audit of the Cost records of the Company's Textile manufacturing units at Dhamni and Kharsundi for the financial year ending March 31, 2022.

Pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules framed thereunder, as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year 2021-22, as set out in the Resolution for the aforesaid services to be rendered by them.

The Board of Directors recommends the Resolution set out at Item No. 4 of the accompanying Notice for approval of the Members of the Company as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, financially or otherwise concerned or interested in the said Resolution except to the extent of their shareholding in the company, if any.

Item No. 5

Approval of Remuneration to be paid to Shri. Hiren M. Shah (DIN-00071077), Executive Chairman of the Company:

The Board of Directors at their meeting held on 13th August, 2021 approved the remuneration of Shri. Hiren M. Shah, the Executive Chairman of the Company, subject to approval of members of the Company in ensuing Annual General meeting, with effect from 1st April, 2022 up to 31st March, 2024 on such terms and conditions as are mentioned here in under. Pursuant to the provisions contained in Section 196 and 197 read with Section 203 and Schedule V of the Companies Act, 2013, it is required to obtain the approval of members by way of special resolution incase Company is having inadequate profits. The members are hereby informed that the Company is having inadequate profits for the financial year 2020-21. All the necessary disclosures pursuant to Schedule V Part II are hereby disclosed in 'Annexure A'. Further, the members are informed that Shri. Hiren M. Shah was appointed as Executive Chairman on 28th September 2018 with effect from 1st April 2019 for a period of five years. Thus, his tenure will end in the year 2024. Thus, the approved remuneration will only be payable for his remaining tenure.

Details of terms of appointment and remuneration payable to Shri Hiren M. Shah are given below:

a) Tenure of Remuneration:

From 1st April, 2022 Up to 31st March, 2024

b) Basic Salary inclusive of perquisites:

₹ 15,00,000/- per month.

c) Benefits, Perquisites and Allowances:

Details of benefits perquisites and allowances are as follows:

i. HOUSING:

The Company shall provide free furnished accommodation. The value of benefit (if provided) will be determined as per the Income Tax Rules.

ii. REIMBURSEMENT OF MEDICAL EXPENSES:

Reimbursement of medical expenses (including insurance premium for medical and hospitalisation policy, if any) incurred for self and family, as per the Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.

iii. LEAVE TRAVEL CONCESSION:

Leave Travel Concession for self and family, once a year, incurred in accordance with the Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.

iv. PERSONAL ACCIDENT INSURANCE:

Personal accident insurance cover for self.

v. CONTRIBUTION TO PROVIDENT FUND AND SUPERANNUATION FUND:

Contribution to Provident Fund and Superannuation Fund, as per the Rules of the Company, to the

extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

vi. **LEAVE AND ENCASHMENT OF LEAVE:**

As per the Rules of the Company.

vii. **GRATUITY AND / OR CONTRIBUTION TO GRATUITY FUND:**

As per the Rules of the Company.

viii. **USE OF CAR AND TELEPHONE:**

Company maintained car with driver for use on Company's business, telephone at residence and cellular phone provided by the Company will not be considered as perquisite. The Telephone expenses shall be reimbursed by the Company. Valuation of perquisites for use of Car for personal use shall be as per the provisions of the Income tax Act.

ix. **REIMBURSEMENT OF EXPENSES:**

Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company, as per the Rules of the Company.

d) Minimum Remuneration:

The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not exceed the limit set out under Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof for the time being in force, or otherwise as may be permissible at law. Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Executive Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approval of the Central Government, if required, or any other approvals as may be required under law.

The Board of Directors recommends the passing of special resolution in relation to the fixing of remuneration of Executive Chairman, for the approval of the members of the Company.

Shri Hiren M. Shah is concerned or interested in his remuneration payable to him. Further, none of the other Directors/ key managerial personnel of the Company/their relatives are, in anyway, concerned or interested, financially or otherwise except Shri. Bharat M. Shah (Brother), Shri. Viraj M. Shah (Brother), and Shri. Purav H. Shah (Son) in the said Resolution.

However, in the event of inadequacy of profits, during the tenure of Shri Hiren M. Shah, the referred remuneration shall be allowed in compliance with the provisions of Schedule V and the same shall in no event exceed the limits approved by way of resolution proposed and in the event of continuation of inadequacy of profits for a continuous period of 3 years, the same shall be subject to review by shareholders.

Item No. 6

Approval of Remuneration to be paid to Shri. Bharat M. Shah (DIN-00071248), Managing Director of the Company:

The Board of Directors at their meeting held on 13th August, 2021 approved the remuneration of Shri. Bharat M. Shah, the Managing Director of the Company, subject to approval of members of the Company in ensuing Annual General meeting, with effect from 1st April, 2022 up to 31st March, 2024 on such terms and conditions as are mentioned here in under. Pursuant to the provisions contained in Section 196 and 197 read with Section 203 and Schedule V of the Companies Act, 2013, it is required to obtain the approval of members by way of special resolution in case Company is having inadequate profits. The members are hereby informed that the Company is having inadequate profits for the financial year 2020-21. All the necessary disclosures pursuant to Schedule V Part II are hereby disclosed in Annexure A. Further, the members are informed that Shri. Bharat M. Shah was appointed as Managing Director on 28th September 2018 with effect from 1st April 2019 for a period of five years. Thus, his tenure will end in the year 2024. Thus, the approved remuneration will only be payable for his remaining tenure.

Details of terms of appointment and remuneration payable to Shri Bharat M. Shah are given below:

a) Tenure of Remuneration:

From 1st April, 2022 Up to 31st March, 2024

b) Basic Salary inclusive of perquisites:

₹ 15,00,000/- per month.

c) Benefits, Perquisites and Allowances:

Details of benefits perquisites and allowances are as follows:

i. **HOUSING:**

The Company shall provide free furnished accommodation. The value of benefit (if provided) will be determined as per the Income Tax Rules.

ii. **REIMBURSEMENT OF MEDICAL EXPENSES:**

Reimbursement of medical expenses (including insurance premium for medical and hospitalisation policy, if any) incurred for self and family, as per the Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.

iii. **LEAVE TRAVEL CONCESSION:**

Leave Travel Concession for self and family, once a year, incurred in accordance with the Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.

iv. **PERSONAL ACCIDENT INSURANCE:**

Personal accident insurance cover for self.

v. **CONTRIBUTION TO PROVIDENT FUND AND SUPERANNUATION FUND:**

Contribution to Provident Fund and Superannuation Fund, as per the Rules of the Company, to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

vi. **LEAVE AND ENCASHMENT OF LEAVE:**

As per the Rules of the Company.

vii. **GRATUITY AND / OR CONTRIBUTION TO GRATUITY FUND:**

As per the Rules of the Company.

viii. **USE OF CAR AND TELEPHONE:**

Company maintained car with driver for use on Company's business, telephone at residence and cellular phone provided by the Company will not be considered as perquisite. The Telephone expenses shall be reimbursed by the Company. Valuation of perquisites for use of Car for personal use shall be as per the provisions of the Income tax Act.

ix. **REIMBURSEMENT OF EXPENSES:**

Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company, as per the Rules of the Company.

d) Minimum Remuneration:

The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not exceed the limit set out under Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof for the time being in force, or otherwise as may be permissible at law. Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Executive Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approval of the Central Government, if required, or any other approvals as may be required under law.

The Board of Directors recommends the passing of special resolution in relation to the fixing of remuneration of Executive Chairman, for the approval of the members of the Company.

Shri Bharat M. Shah is concerned or interested in his remuneration payable to him. Further, none of the other Directors/ key managerial personnel of the Company/their relatives are, in anyway, concerned or interested, financially or otherwise except Shri. Hiren M. Shah (Brother) and Shri. Viraj M. Shah (Brother) in the said Resolution.

However, in the event of inadequacy of profits, during the tenure of Shri Bharat M. Shah, the referred remuneration shall be allowed in compliance with the provisions of Schedule V and the same shall in no event exceed the limits approved by way of resolution proposed and in the event of continuation of inadequacy of profits for a continuous period of 3 years, the same shall be subject to review by shareholders.

Item No. 7

Approval of Remuneration to be paid to Shri. Viraj M. Shah (DIN-00071616), Managing Director of the Company:

The Board of Directors at their meeting held on 13th August, 2021 approved the remuneration of Shri. Viraj M. Shah, the Managing Director of the Company, subject to approval of members of the Company in ensuing Annual General meeting, with effect from 1st April, 2022 up to 31st March, 2024 on such terms and conditions as are mentioned here in under. Pursuant to the provisions contained in Section 196 and 197 read with Section 203 and Schedule V of the Companies Act, 2013, it is required to obtain the approval of members by way of special resolution incase Company is having inadequate profits. The members are hereby informed that the Company is having inadequate profits for the financial year 2020-21. All the necessary disclosures pursuant to Schedule V Part II are hereby disclosed in Annexure A. Further, the members are informed that Shri. Viraj M. Shah was appointed as Managing Director on 28th September 2018 with effect from 1st April 2019 for a period of five years. Thus, his tenure will end in the year 2024. Thus, the approved remuneration will only be payable for his remaining tenure.

Details of terms of appointment and remuneration payable to Shri Viraj M. Shah are given below:

a) Tenure of Remuneration:

From 1st April, 2022 Up to 31st March, 2024

b) Basic Salary inclusive of perquisites:

₹ 15,00,000/- per month.

c) Benefits, Perquisites and Allowances:

Details of benefits perquisites and allowances are as follows:

i. HOUSING:

The Company shall provide free furnished accommodation. The value of benefit (if provided) will be determined as per the Income Tax Rules.

ii. REIMBURSEMENT OF MEDICAL EXPENSES:

Reimbursement of medical expenses (including insurance premium for medical and hospitalisation policy, if any) incurred for self and family, as per the Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.

iii. LEAVE TRAVEL CONCESSION:

Leave Travel Concession for self and family, once a year, incurred in accordance with the Rules of the Company. For the above purpose, "Family" includes spouse, dependent children and parents.

iv. PERSONAL ACCIDENT INSURANCE:

Personal accident insurance cover for self.

v. CONTRIBUTION TO PROVIDENT FUND AND SUPERANNUATION FUND:

Contribution to Provident Fund and Superannuation Fund, as per the Rules of the Company, to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

vi. **LEAVE AND ENCASHMENT OF LEAVE:**

As per the Rules of the Company.

vii. **GRATUITY AND / OR CONTRIBUTION TO GRATUITY FUND:**

As per the Rules of the Company.

viii. **USE OF CAR AND TELEPHONE:**

Company maintained car with driver for use on Company's business, telephone at residence and cellular phone provided by the Company will not be considered as perquisite. The Telephone expenses shall be reimbursed by the Company. Valuation of perquisites for use of Car for personal use shall be as per the provisions of the Income tax Act.

ix. **REIMBURSEMENT OF EXPENSES:**

Reimbursement of entertainment, travelling and all other expenses incurred for the business of the Company, as per the Rules of the Company.

d) Minimum Remuneration:

The aggregate of the remuneration and perquisites as aforesaid, in any financial year, shall not exceed the limit set out under Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof for the time being in force, or otherwise as may be permissible at law. Provided that where in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Executive Director as and by way of minimum remuneration, subject to the applicable provisions of Schedule V of the Act and the approval of the Central Government, if required, or any other approvals as may be required under law.

The Board of Directors recommends the passing of special resolution in relation to the fixing of remuneration of Executive Chairman, for the approval of the members of the Company.

Shri. Viraj M. Shah is concerned or interested in his remuneration payable to him. Further, none of the other Directors/ key managerial personnel of the Company/their relatives are, in anyway, concerned or interested, financially or otherwise except Shri. Hiren M. Shah (Brother) and Shri. Bharat M. Shah (Brother) in the said Resolution.

However, in the event of inadequacy of profits, during the tenure of Shri Viraj M. Shah, the referred remuneration shall be allowed in compliance with the provisions of Schedule V and the same shall in no event exceed the limits approved by way of resolution proposed and in the event of continuation of inadequacy of profits for a continuous period of 3 years, the same shall be subject to review by shareholders.

**By order of the Board
For The Ruby Mills Limited**

**Hiren M. Shah
Executive Chairman
DIN: 00071077**

**Place: Mumbai
Dated: 13th August, 2021**

ANNEXURE A TO THE EXPLANATORY STATEMENT

Information as required under Part I of Schedule V of the Companies Act, 2013 and forming part of the explanatory statement to the Notice convening the Annual General Meeting. **(Item No.5 to Item No.7)**

I. GENERAL INFORMATION

1. Nature of Industry:

The Ruby Mills Ltd. is a composite Textile Mill engaged in manufacture of Cotton/Blended Yarn and Fabric. It has two plants located at Village Dhamni & Village Kharsundi, at Khopoli, Taluka Khalapur, Dist. Raigad. The Company's entire Spinning & Weaving plants are at Village Dhamni and fabric processing activity at Village Kharsundi, Khopoli.

2. Date of commencement of commercial production:

The Company was incorporated on 9th January, 1917 and date of commencement of the business is 12th September, 1921.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

NA

4. Financial performance based on given indicators:

SR. No	Particulars	For the year ended (₹ In Lakhs)	
		31 st March, 2021	31 st March, 2020
1.	Total Revenue	13,351	19,301
2.	Finance Costs	787	509
3.	Depreciation and Amortization Expense	841	1,201
4.	Profit before Tax	3,221	3,787
5.	Provision for Tax including Current Tax adjustments of Earlier Years.	571	1,083
6.	Provision for Deferred Tax	65	(66)
7.	Profit after Tax, Prior period and Exceptional Items	2,585	2,770
8.	Total comprehensive income for the period	2,622	2,763

5. Export Performance and net foreign exchange earnings

The Foreign Exchange earned in terms of actual inflows during the year and the foreign actual outgo during the year in terms of actual outflows:

Particulars	Current Year 2020-2021 (₹ in Lakhs)	Previous Year 2019-2020 (₹ in Lakhs)
Value of Direct Imports calculated on CIF Basis:		
(i) Stores, Spares	42.26	1,00.55
(ii) Raw Materials	NIL	532.81
(iii) Capital Goods	42.96	53.43
Earnings in Foreign Exchange on account of export of goods :		
Direct Export on FOB Basis	96.47	69.66
Expenditure in Foreign Currency:		
Travelling	3.11	44.47
Others	1.06	8.62

Other Foreign investments or collaborations, if any: NIL

II. INFORMATION ABOUT THE APPOINTEES:

1. Background details:

	Shri. Hiren M. Shah	Shri. Bharat M. Shah	Shri. Viraj M. Shah
1. Background details			
Age	67 years	62 years	60 years
Designation	Executive Chairman	Managing Director	Managing Director
Qualification	Licenciate in Textile Mfg.	B. com	B. com
2. Past Remuneration (Per Month)	15,00,000/- (Fifteen Lakhs)	15,00,000/- P.M (Fifteen Lakhs)	15,00,000/- P.M. (Fifteen Lakhs)
3. Recognition or Awards	<p>He is a qualified Textile Technologist from India's premier Institution VJTI and presently, the Executive Chairman of the Company. He has rich and varied experience in management of the Textile Mill for the last 43 years. He was the Chairman of the Mill Owners Association for a period of 3 years until year 2001. Under his tenure as Chairman of Mill Owners Association, he had taken an initiative to convince the Government on restructuring of fiscal levies. He has been appointed as a Member of The Textile Institute International, U.K. He was the Chairman of Bombay Textile Research Association (BTRA). He is the Chairman of Confederation of Indian Textile Industry (CITI).</p>	<p>He has been associated with the Company for the last 35 years having experience in Finance, Administration, Materials Management and Taxation. He has been instrumental for Treasury operations carried out reducing the interest burden on the Company in 2005-2006. He is a permanent invitee on the Mills Owners Association, Mumbai. He was appointed by Bharat Petroleum Ltd. on the Local Advisory Board</p>	<p>He has been associated with Senior Management for the last 36 years. He has been instrumental in revamping the company's Marketing Policy from the traditional system of distribution to the system of Del Credre marketing which has enabled the Company to penetrate in local markets, territory wise and further assuring the Company of faster collections against sales. This system has safe guarded the Company's position against Bad-debts as the territorial agents i.e. Del Credre are responsible for the sales effected in their territories to various parties. He has been instrumental in developing unique trend setting, finishing of fabrics resulting in improved realization product development as well as unique finishing of fabrics</p>

4. Job profile and Suitability	As an Executive Chairman of the Company and being associated for the last 47 years, he has been responsible for the collaboration with Gygli Textile AG for the Micro Dot Fusible Interlining. He has travelled extensively and is personally responsible for the selection of world class machineries to suit the production of the Company and has been responsible for the wage settlements with the union and has been able to automize and substantially reduced the labour in the last 10 years. He is in control of day to day production and quality output with the highest efficiency for Dhamni and Kharsundi Units and has initiated the shifting of entire Spinning & Weaving operations from Mumbai to Dhamni and Process House to Village Kharsundi.	As the Managing Director of the Company, he is in overall charge of day-to-day control of legal, secretarial, taxation, accounts, finance including interaction with Banks and Institutions. The vendor selection and right sourcing of materials at competitive rates is also managed by him. He is overall in charge of administration and the interaction with various local authorities at all levels.	He has been instrumental in the change of marketing system to Del Credre system of marketing and with his vision; the Company has been able to penetrate in the rural market. The marketing workshop organized in rural areas has given further recognition.
5. Remuneration proposed (Per Month)	₹ 15,00,000/- (₹ Fifteen Lakh)	₹ 15,00,000/- (₹ Fifteen Lakh)	₹ 15,00,000/- (₹ Fifteen Lakh)
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Textile Industry is an age old industry. It is a labour oriented and not a cash rich industry. The remuneration in the industry particularly at the managerial level has always remained very low. The proposed remuneration is lower than the prevailing remuneration package being offered in the corporate world in the country.		
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Brother of Shri Bharat M. Shah, Shri. Viraj M. Shah Father of Shri. Purav H. Shah	Brother of Shri. Hiren M. Shah, Shri. Viraj M. Shah	Brother of Shri. Hiren M. Shah, Shri Bharat M. Shah,

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits:

Currently the overall Textile Industry is not doing well and there has been deceleration in the Industry growth. The COVID-19 wave that hit our nation in the month of March 2020 has also impacted the slowdown in our Industry.

2. Steps taken or proposed to be taken for improvement

The Company has taken up modernization from time to time. It has implemented the modernization approved under Textile Upgradation Fund Scheme (TUFS). The company has installed a new generation Process House and testing equipments for improved quality of fabrics as per international standards and thereby expands the market base.

3. Expected increase in productivity and profits in measurable terms

The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. The productivity is expected to increase by about 15% to 20% during the current years.

However, it is extremely difficult in the volatile market scenario to predict profits in measurable terms.

IV. DISCLOSURES:

1. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors;
2. Details of fixed component and performance linked incentives along with the performance criteria;
3. Service contracts, notice period, severance fees; and
4. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

All the above disclosures are mentioned in the Board of Director's report under the heading "Corporate Governance" attached to the financial statement.

**By order of the Board
For The Ruby Mills Limited**

**Place: Mumbai
Dated: 13th August, 2021**

**Hiren M. Shah
Executive Chairman
DIN: 00071077**

DIRECTOR'S REPORT

Dear Members,

Your Directors are pleased to present the 105th (Hundred and Fifth) Annual Report of your company together with the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2021.

1. FINANCIAL RESULTS

The financial performance of the Company for the year ended 31st March, 2021 is summarized below:

SR. No	Particulars	For the year ended (₹ In Lakhs)	
		31 st March, 2021	31 st March, 2020
1.	Total Revenue	13,351	19,301
2.	Finance Costs	787	509
3.	Depreciation and Amortization Expense	841	1,201
4.	Profit before Tax	3,221	3,787
5.	Provision for Tax including Current Tax adjustments of Earlier Years.	571	1,083
6.	Provision for Deferred Tax	65	(66)
7.	Profit after Tax, Prior period and Exceptional Items	2,585	2,770
8.	Total comprehensive income for the period	2,622	2,763

2. STATE OF COMPANY'S AFFAIR

i) Textiles and Real Estate Division

The revenue from the textiles activity was ₹ 9,360 Lakhs (Nine Thousand Three Hundred Sixty Lakhs) as compared to ₹ 15,282 Lakhs (Fifteen Thousand Two Hundred Eighty Two Lakhs) in the previous year. The operating profit for the year was ₹ 601 Lakhs (Six Hundred and One Lakhs) against ₹ 902 Lakhs (Nine Hundred and Two Lakhs) in the previous year.

The revenue from real estate and related activity was ₹ 2,973 Lakhs (Nine Thousand Three Hundred Sixty Lakhs) as compared to ₹ 3,025 Lakhs (Three Thousand and Twenty Five Lakhs) Lakhs in the previous year. The operating profit for the year was ₹ 2,624 Lakhs (Two Thousand Six Hundred Twenty Four Lakhs) as against ₹ 2,609 Lakhs (Two Thousand Six Hundred and Nine Lakhs) Lakhs in the previous year.

ii) Land Development at Dadar

The Company has obtained in principle approval of the Municipal Corporation of Greater Mumbai (MCGM) in August 2019. Due to frequent lockdown restrictions due to COVID 19, the process of further compliances is delayed and expected to take off in the current financial years.

3. DIVIDEND

Your Directors, have after assessing the need for corporate requirement, recommended a dividend at the rate of 15% i.e. of ₹ 0.75 per share on 1,67,20,000 equity shares of ₹ 5/- each aggregating to ₹ 125.40 Lakhs, subject to TDS.

4. TRANSFER TO RESERVES

No amount has been transferred to General Reserve

5. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the year under review, your Company did not have any subsidiary, associate or joint venture company.

6. PUBLIC DEPOSITS

The Company has not accepted deposits from the public within the meaning of Section 73 of The Companies Act, 2013 and rules framed there under.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) Directors

Appointment / Reappointment

- **Shri Rahul G. Divan (DIN: 00001178)** was appointed as an Independent Director of the Company for a first term of five consecutive years commencing from 30th September, 2020 upto 29th September, 2025 in terms of Section 149 and other applicable provisions of the Act and Rules made there under..
- **Shri Yogen S. Lathia (DIN: 00299334)** was appointed as an Independent Director of the Company for a second term of five consecutive years commencing from 29th December, 2020 upto 28th December, 2025 in terms of Section 149 and other applicable provisions of the Act and Rules made there under.
- **Shri Deepak R. Shah (DIN: 06954206)** was appointed as a Non-executive Non-Independent Director of the Company for a term of three consecutive years commencing from 30th September, 2020 upto 29th September, 2023. In terms of Section 152 and other applicable provisions of the Act and Rules made there under.
- **Shri. Hiren M. Shah (DIN: 00071077)** Executive Director and Chairman of the Company will retire by rotation and being eligible for reappointment and not being disqualified under section 164 of the Companies Act, 2013, offers himself for re-appointment. The Board recommends his re-appointment.

Resignation/ Cessation:

- **Shri Pradeep N. Kapasi (DIN: 01275033)** Ceases to be an Independent Director of the Company w.e.f. 17th December, 2020 in terms of Section 149 and other applicable provisions of the Act and Rules made there under.
- **Smt. Aruna M. Shah (DIN: 00070999)** Non Executive Director of he Company resigned as Director w.e.f. 16th March, 2021 of the Company and appointed as Chairman Emiratus w.e.f. 16th March, 2021.

(ii) Key Managerial Personnel

Resignation/ Cessation:

Mr. Pranav Maru, erstwhile Company Secretary and Compliance Officer of the Company resigned w.e.f. 14th February, 2021.

(iii) Declaration by Independent Directors

The Company has received the necessary declarations from each of Independent Directors of the Company pursuant to Section 149(7) and provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Each of them meets the criteria of independence laid down in section 149(6) of the Companies Act, 2013 and Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances which may affect their status as independent director during the year.

(iv) Annual Evaluation of Board

Pursuant to the provisions of the Companies Act, 2013 and relevant Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Board has carried out the annual performance evaluation of its own performance and other Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment.

Performance evaluation of independent directors was done by the entire board, excluding the Independent Directors.

In a separate meeting of independent directors held on 22nd July, 2020 and 2nd March, 2021, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was reviewed and evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors.

(v) Number of Board Meetings

During the year 2020-21, the Board met 5 (Five) times on the following dates 8th May, 2020, 31st July, 2020, 30th September, 2020, 11th November, 2020, and 11th February, 2021. For details of the meetings of the board, please refer to the Corporate Governance Report, which forms part of this report.

8. DIRECTOR'S RESPONSIBILITY STATEMENT

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on 31st March, 2021 and state that:-

- i. 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. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit of the Company for the year on that date;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts on a going concern basis; and
- v. The Directors had laid down proper systems of internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. NOMINATION AND REMUNERATION POLICY

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration of Directors, Key Managerial Personnel

and other employees. The policy of which has been uploaded on the Company's website at the following link-<http://www.rubymills.com/investors/policies/nomination-cum-remuneration-policy>

The potential candidates for appointment to the Board including Independent Directors appointed during the year are, inter alia, evaluated on the basis of highest level of personal and professional ethics, standing, integrity, values and character; appreciation of the Company's vision, mission, values and, prominence in business, institutions or professions and, professional skill, knowledge and expertise and, financial literacy and such other competencies and skills as may be considered necessary. In addition to the above, the candidature of an Independent Director is also evaluated in terms of the criteria for determining independence as stipulated under the Act, the Listing Regulations and other applicable regulations and guidelines .

10. AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report which forms part of this report.

11. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal and unethical behavior.

The Board of Directors of the Company has pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc. which has been uploaded on the Company's website at the following link - <http://www.rubymills.com/investors/policies/vigil-mechanismwhistle-blower-policy>.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

During the year under review no employee was denied access to the Chairman of the Audit Committee.

12. RISK MANAGEMENT

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and has defined a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. At present there is no identifiable risk which in the opinion of the Board may threaten the existence of the Company.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo are furnished in "Annexure A" which forms part of this report.

14. EXTRACT OF ANNUAL RETURN

Extract of the Annual Return for the financial year ended 31st March, 2021 made under the provisions of Section 92(3) of the Act is uploaded on website of the Company and link for the same is [link-http://www.rubymills.com/investors/annual-report/extract-of-annual-return](http://www.rubymills.com/investors/annual-report/extract-of-annual-return).

15. CORPORATE SOCIAL RESPONSIBILITY

The Annual Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 on CSR activities is attached as **“Annexure B”** and forms a part of this Report. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which forms part of this report. The Corporate Social Responsibility policy has been uploaded on the Company's website at the following link - <http://www.rubymills.com/investors/policies/corporate-social-responsibility-philosophy>

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

17. AUDITORS

(i) Statutory Auditors

At the 101st Annual General Meeting held on 27th September, 2017, the Members approved appointment of M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W/W-100036) to hold office from the conclusion of the 101st Annual General Meeting until the conclusion of the 106th Annual General Meeting subject to ratification at every Annual General Meeting on such remuneration as may be fixed by the Board apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

On 7th May, 2018, Section 40 of the Companies Amendment Act, 2017 (amending Section 139 of the Companies Act, 2013) has been notified whereby ratification of Statutory Auditor's appointment is not required at every Annual General Meeting.

The Report given by M/s. CNK & Associates LLP, Statutory Auditors on the financial statements of the Company for the financial year 2020-21 is part of this Annual Report. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

(ii) Secretarial Auditor

The Board has appointed M/s. Vikas R. Chomal & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2020-2021. The Report of the Secretarial Audit Report is annexed herewith as **“Annexure C”**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

(iii) Cost Auditor and Cost Audit Report

Pursuant to Section 148 of the Companies Act, 2013 readwith The Companies (Cost Records and Audit) Rules, 2014, the accounts and records are required to be maintained by the Company, in respect of various manufacturing activities and are required to be audited. Accordingly, such accounts and records are maintained in respect of various manufacturing activities. The cost audit report for the financial year 2019-20 was filed with the Ministry of Corporate Affairs on 27th January, 2021. Shri. Dakshesh H. Zaveri, Cost Accountant has been appointed as Cost Auditor of the Company for the FY. 2021-2022 to carry out the Cost Audit, for auditing cost accounting Records in respect of the Textile Segment of the Company and to submit Cost Audit Report to the Board as required under Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Amendment Rules, 2014. Accordingly, a resolution seeking the members' ratification for the remuneration payable to Shri. Dakshesh H. Zaveri, Cost Auditors, in terms of the resolution proposed to be passed, is included in the Notice convening the Annual General Meeting of the Company.

18. (i) Green Initiatives

Pursuant to Sections 101 and 136 of the Companies Act, 2013 the Company will be sending Annual Report through electronic mode i.e. email to all the shareholders who have registered their email addresses with the Company or with the Depository to receive Annual Report through electronic mode and initiated steps to reduce consumption of paper.

(ii) Human Resources

Employees are considered to be team members being one of the most critical resources in the business which maximize the effectiveness of the Organization. Human resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company's Policies and Systems. The Company maintains healthy, cordial and harmonious relations with all personnel and thereby enhancing the contributory value of the Human Resources.

(iii) Environment and Safety

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned compliances, environmental Regulations and preservation of natural resources. There was no major accident during the year.

19. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

20. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

There are adequate internal financial controls in place with reference to the financial statements. During the year under review, these controls were evaluated and no significant weakness was identified either in the design or operation of the controls.

21. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

All Related Party Transactions entered into by your Company during the Financial Year 2020-21 were on arm's length basis and in the ordinary course of business. There are no material significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons which may have a potential conflict with the interest of the Company. Prior approval of the Audit Committee and the Board of Directors of the Company was obtained for all the Related Party Transactions. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 which is not applicable. Attention of Shareholders is also drawn to the disclosure of transactions with related parties as set out in Note No. 45 of Financial Statements, forming part of the Annual Report.

22. PARTICULARS OF EMPLOYEES

The prescribed particulars of employees required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as "**Annexure D**" and forms a part of this Report of the Directors.

There were no employees drawing remuneration of Rupees One Crore and Two Lakhs per annum or more or Rupees Eight Lakhs Fifty Thousand per month or more during the year under review. However, Shri. Hiren M. Shah, Executive Chairman, Shri. Bharat M. Shah, Managing Director and Shri. Viraj M. Shah, Managing Director drew a remuneration of ₹ 65.84 Lakhs per annum each during the year under review.

23. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.

The Company has set up an Internal Complaints Committee (ICC) for providing a Redressal mechanism pertaining to Sexual harassment of women employees at workplace. There was no cases/ complaint received during the year under review.

24. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS UNDER SECTION 186

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 forms part of the notes to financial statements provided in this Annual Report.

25. DISCLOSURE REQUIREMENTS

As per relevant regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report with auditor's certificate thereon and Management Discussion and Analysis are attached, which form part of this Annual Report.

26. GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- I. The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014.
- II. The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014.
- III. The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, .
- IV. During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.
- V. During the year under review, there are no instances of loan borrowed from Directors by the company. Therefore, no declaration is required under Rule 2(1)(c)(viii) of Companies (Acceptance of Deposits) Rules 2014.
- VI. During the year under review, there was no occasion where the Board has not accepted any recommendation of the Audit Committee

27. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of Company's business during the year under review.

28. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the rules') as amended upto date, after completion of seven years, all the unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government.

Further, according to the said Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

29. TRANSFER OF UNCLAIMED DIVIDEND TO IEPF

As required under Section 124 of the Act, the Unclaimed Dividend amount aggregating to ₹ 41,636/- (RupeesForty One Thousand Six Hundred Thirty Six)lying unclaimed for a period of seven years was transferred during the financial year 2020-21 to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Members are requested to note that even after the transfer to IEPF as abovesaidabove said, the unclaimed dividend amount and the shares transferred to IEPF Suspense Account, both, can be claimed by making an online application in Form IEPF-5 and sending the physical copy of the same duly signed (as per specimen signature registered with the Company/RTA) along with requisite documents enumerated in the said Form IEPF-5 to the Company at its registered office or to the RTA.

The IEPF Rules and the application form (Form IEPF-5), as prescribed by the Ministry of Corporate Affairs are available on the website of the Ministry of Corporate Affairs at www.iepf.gov.in.

30. DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS

During the financial year 2020-21, your Company has complied with applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively as notified by the Institute of Company Secretaries of India.

31. SEGMENTS

The Company has two segments namely Textile and Real Estate. The Statement of accounts prepared and submitted are therefore of two segments.

32. ACKNOWLEDGEMENT

Your Directors thank all the shareholders, all employees of the Company, customers, suppliers, Government Authorities, Financial Institutions and bankers for their continued support.

You Directors look forward to their continued support in future.

**For and on behalf of the Board of Directors
The Ruby Mills Limited**

**Hiren M. Shah
Executive Chairman
DIN: 00071077**

**Place: Mumbai
Dated: 13th August 2021**

ANNEXURE TO THE DIRECTORS' REPORT**Annexure 'A'****Disclosure pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014****(A) CONSERVATION OF ENERGY:**

This is a continuous process where new developments in energy saving Projects are studied and implemented from time to time. Future plans entail rain water harvesting and use of solar power for street lighting. Energy Audits are also carried out from time to time and staff is encouraged to attend lectures and seminars on energy savings.

a) The steps taken or impact on conservation of energy:

- Replaced sodium vapor street lights with power saving LED lights. Also regular tube lights with LED tube lights.
- Replaced heating coil of E control to achieve temperature quickly thereby saving of power.
- Maintaining unity power factor regularly.
- Regular Energy Audit to save power
- Air Audit to identify and control leakages in compressor Air Line.
- Optimize use of chillers based on weather condition.
- Creating awareness among staff and workers.
- Use of Transparent PVC Roof in Godown to maximize use of natural day light in the godown.
- Proper and regular use of lubricants.
- Using VFD operated air compressor to reduce the power consumption.
- Attended seminars / webinar on energy conservation.
- Modification done of H Plant no. 3 & 4 (Ring Frame) Installed energy saving VFDs and Energy saving IE3 Motors. Spraysystem of Batliboi Humidification plant of H. plant no3 (Ring Frame) is modified and air washer efficiency improved. Changed the old pump and Motor and installed IE3 higher efficiency motor with inverter; connected to control system . All these have contributed to power saving
- Air leakages were arrested in spg and weaving department. This result increasing the idle time of compressor running. This in turns saves energy.
- Planning to change existing old GI air pipelines in to new aluminium air pipelines to avoid pressure drop & air leakages.
- Planning reviewing the usage waste heat of Centac compressor in to a heat recovery system for use in boiler make up water.

b) Steps taken by the Company for utilizing alternate sources of energy:

- Replaced 40 Watt tube lights with 18 watt LED tube lights in all departments.
- Company is currently evaluating installation and use of solar energy.
- Automatic monitoring and control of ID & RD fan of Boiler and control blow down for final saving and optimization of Boiler Operator.

c) The capital investment on energy conservation equipment: NIL

(B) TECHNOLOGY ABSORPTION:

a) Efforts made towards technology absorption:

The following key components and their implementation are highlighted below

- Company is encouraging staff to attend seminars, exhibitions, visit to research institutes and workshops on skill development
- After studying modern sumum Airjet looms, Company is evaluating the option of further investment
- Evaluating Automatisation in Ring frame and winding department
- Actively considering retro fitting of contamination clearer in second blowroom line

b) Benefits derived like product improvement, cost reduction, product development or import substitution:

- The Company is actively engaged in new product line in fabric manufacturing.
- Development of new finishes is a continuous process.
- Ongoing product development activities to reduce cost, optimize processes and import substitution.

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

d) The Expenditure incurred on Research & Development:

- It forms part of the project cost and cannot be quantified separately.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the foreign actual outgo during the year in terms of actual outflows:

Particulars	Current Year 2020-2021 (₹ in Lakh)	Previous Year 2019-2020 (₹ in Lakh)
Value of Direct Imports calculated on CIF Basis:		
(i) Stores, Spares	42.26	100.55
(ii) Raw Materials	-	532.81
(iii) Capital Goods	42.96	53.43
Earnings in Foreign Exchange on account of export of goods :		
Direct Export on FOB Basis	96.48	69.66
Expenditure in Foreign Currency :		
Travelling	3.11	44.47
Others	1.06	8.62

**For and on behalf of the Board
For The Ruby Mills Limited**

**Hiren M. Shah
Executive Chairman
DIN: 00071077**

**Place: Mumbai
Date: 13th August 2021**

Annexure 'B'
**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2020-21
[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014]**
1. Brief outline on CSR Policy of the Company, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

The Ruby Mills Limited strives to be a socially responsible and strongly believes in development which is beneficial for the society at large. As a Corporate Citizen, receiving various benefits out of society is co-extensive responsibility to pay back in return to the society in terms of helping needy people by providing food, clothes, etc., keeping the environment clean and safe for the society by adhering to the best practices and technologies, and so on. It is the Company's intent to make a positive difference to society in which the Company lives and operates.

The Projects / Programmes undertaken or proposed to be undertaken either by an Implementation Agency or the Company directly are in line with the activities enumerated in Schedule VII of the Companies Act, 2013 with rules framed there under (including any statutory modifications or re-enactments thereof for the time being in force as amended from time to time).

2. Composition of CSR Committee.

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Hiren M. Shah	Chairman, Executive Chairman	One	One
2.	Shri. Shardul J. Thacker	Member, Independent Director	One	One
3.	Shri. Viraj M. Shah *	Member, Executive Director	NIL	NIL
4.	Smt. Aruna M. Shah **	Member, Non-Executive Director	One	One

* Shri. Viraj M. Shah was inducted to the CSR Committee with effect from 16th March 2021.

** Smt. Aruna M. Shah due to her resignation from the position of Directorship of the Company, ceased to be the member of the Committee with effect from 16th March 2021.

3. The detailed Corporate Social Responsibility Policy is available on the website of the Company at the following link- <http://www.rubymills.com/investors/policies/corporate-social-responsibility-philosophy> that gives an overview of the projects or programmes undertaken during the financial year 2020-21.
4. 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**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - ₹ **10,38,572/-**

6. Average net profit of the company as per section 135(5):

For F.Y. 2019-20 (in ₹)	For F.Y. 2018-19 (in ₹)	For F.Y. 2017-18 (in ₹)
35,59,27,000	26,95,43,000	35,39,44,165
Total profit for last 3 years (in ₹)		97,94,14,165
Average net profit last 3 years (in ₹)		32,64,71,388

7. CSR Expenditure for F.Y. 2020-21:

Sr. No	Particulars	Amount (In ₹)
a.	Two percent of average net profit of the company as per section 135(5)	65,29,428
b.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NA
c.	Amount required to be set off for the financial year, if any	NA
d.	Total CSR obligation for the financial year (7a+7b-7c).	65,29,428

8.

a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).	
	Amount	Date of transfer.	Name of the Fund	Amount	Date of transfer
75,68,000	NA	NA	NA	NA	NA

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sr. 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	Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
				District/State						Name
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sr. 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 ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				District / State			Name	CSR Registration number
1.	Alfah Enterprises (Grain Distribution during COVID 19 Time)	Clause I (Eradicating hunger, poverty and malnutrition)	Yes	Maharashtra	1,68,000	Yes	NA	NA
2.	Seth Damji Laxmichand Jain Dharmasthank	Clause I (Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.)	Yes	Maharashtra	5,00,000	Yes	NA	NA
3.	The Bombay Humanitarian League Inland	Clause IV (Animal Welfare)	Yes	Maharashtra	5,00,000	Yes	NA	NA
4.	Umesh Manohar Kathavale	Clause I (Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.)	Yes	Maharashtra	5,00,000	Yes	NA	NA
5.	Somjai Enterprises	Clause IV (Animal Welfare)	Yes	Maharashtra	5,00,000	Yes	NA	NA
6.	Kikabhai Hospital	Clause I (Promoting health care including preventive health care and sanitation)	Yes	Maharashtra	54,00,000	Yes	NA	NA

- d) Amount spent in Administrative Overheads: NA
- e) Amount spent on Impact Assessment, if applicable: NA
- f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 75,68,000/-
- g) Excess amount for set off, if any: ₹ 10,38,572/-

Sr. No	Particulars	Amount (In ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	65,29,428
(ii)	Total amount spent for the Financial Year	75,68,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	10,38,572
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	10,38,572

9. CSR Expenditure unspent

- a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	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. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1.	F.Y. 2019-20	NIL	NIL	NIL	NIL	NIL	NIL
2.	F.Y. 2018-19	NIL	NIL	NIL	NIL	NIL	NIL
3.	F.Y. 2017-18	NIL	NIL	NIL	NIL	NIL	NIL

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
NA	NA	NA	NA	NA	NA	NA	NA	NA

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

11. Reason(s) as why the company has failed to spend two per cent of the average net profit as per section 135(5).

- Not Applicable

**For and on behalf of the Board
For The Ruby Mills Limited**

**Hiren M. Shah
Executive Chairman
DIN: 00071077**

**Place: Mumbai
Date: 13th August 2021**

Annexure 'C'

SECRETARIAL AUDIT REPORT
Form No. MR-3
FOR THE FINANCIAL YEAR ENDED 31.03.2021

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

To,
The Members,
THE RUBY MILLS LIMITED
Ruby House, J. K. Sawant Marg,
Dadar West, Mumbai - 400 028.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Ruby Mills Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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, the explanations and clarifications given to us and the representations made by the Management. We, hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by The Ruby Mills Limited ("the Company") for the financial year ended on 31st March, 2021 according to the provisions of:

- ((i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not Applicable to the Company during the Audit period);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during Audit Period);**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during Audit Period);**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during Audit Period as the Company);**
 - 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 to the Company during the Audit period); and**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit period);**
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (VI) The Management of the Company has identified has identified two segments i.e. Textiles and Real Estate and accordingly, the sector specific compliance of the following laws applicable specifically to the Company have been audited:
- a) The Textiles Committee Act, 1963;
 - b) The Textiles (Consumer Protection) Regulation, 1988;
 - c) The Textiles (Development and Regulation) Order, 2001.
 - d) Maharashtra Ownership Flats Act, 1963.
 - e) Development Control Regulations, 2009.
 - f) Maharashtra Regional and Town Planning Act, 1956.
 - g) Transfer of Property Act, 1882.
 - h) Maharashtra Rent Control Act, 1999.
 - i) The Real Estate (Regulation and Development) Act, 2016

Having regard to the compliance system prevailing in the Company, we further report that on the examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the same.

(VII) and all other Acts as are generally applicable to the Company.

We have also examined compliance with the applicable clauses/regulations of the following:

- (A) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (B) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement entered into with the BSE Limited

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

We further report that

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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 meetings.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has not made:

- (i) Redemption / buy-back of securities
- (ii) Merger / amalgamation / reconstruction, etc.
- (iii) Foreign technical collaborations
- (iii) Preferential/Private Placement or Rights issue of Shares.

We further report that during the review period, no major action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. above have taken place.

FURTHER, during the period audit, we have observed delay in some of the compliances which are listed below:

- a) There was a delay of 15 days in submission of financial results for the quarter ended 30th June, 2020 as required under Regulation 33 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Fine of Rs. 5,000/- per day for the delay of 15 days was imposed on the Company by BSE Limited and National Stock Exchange of India Limited. Total amount paid by the Company was Rs.88,500/- (Including GST) to the BSE Limited and to the National Stock Exchange of India Limited respectively. National Stock Exchange of India Limited has since waived the fine.

The Company has also written to the BSE Limited for waiver of the fines. However, reply from the BSE Limited is awaited till date; and

- b) There was a delay in compliance for 1 day i.e. on 30th September, 2020 under regulation 20(2A) for appointment of Independent Director Chairman for the quarter ended 30.09.2020. Further, there was delay of 15 days for the same regulation for the same appointment i.e. from 1st October, 2020 to 15th October, 2020 as the vacancy was filed on 16th October, 2020 for the quarter ended 31st December, 2020 by a suitable replacement.

BSE Limited levied a fine of ₹ 2,000/- per day (₹ 2360/- including GST) for the delay of 1 day i.e. on 30th September, 2020 and fine of ₹ 2,000/- per day for the delay of 15 days (₹ 35,400/- including GST) from 1st October, 2020 to 15th October, 2020.

The Company paid a total fine of ₹ 37,760/- to the BSE Limited. Further, BSE Limited vide its email dated 07/05/2021 has waived the fine of ₹ 2,360/- only on the request of the Company.

Also, National Stock Exchange of India Limited levied a fine of only ₹ 2,000/- per day (₹ 2360/- including GST) for the delay of 1 day i.e. on 30th September, 2020. Total amount paid by the Company ₹ 2360/- to the National Stock Exchange of India Limited. The Company has also written to the National Stock Exchange of India Limited for the waiver of the fine. However, reply from the National Stock Exchange is awaited till date.

For Vikas R. Chomal & Associates

Vikas R. Chomal
(Proprietor)
ACS No. 24941
C P No.: 12133

Place: Thane, Maharashtra
Date: 06/08/2021

ICSI Firm Peer Review Reg No: S2013MH21650
ICSI UDIN: A024941C000745507

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

Annexure A

**To,
The Members
The Ruby Mills Limited**

Our Secretarial Audit Report for the financial year ended 31st March, 2020 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 process 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 process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about 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.

For Vikas R. Chomal & Associates

**Vikas R. Chomal
(Proprietor)
ACS No. 24941
C P No.: 12133**

**Place: Thane, Maharashtra
Date: 06/08/2021**

**ICSI Firm Peer Review Reg No: S2013MH21650
ICSI UDIN: A024941C000745507**

Annexure 'D'
Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) & 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Requirements	Details
1.	the ratio of the remuneration of each director to the median employee's remuneration for the financial year 2020-21	Mr. Hiren M Shah 19.53:1 Mr. Bharat M Shah 19.53:1 Mr. Viraj M Shah 19.53:1 Mr. Purav Shah 11.76:1
2.	the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2020-21	Mr. Hiren M Shah -51% Mr. Bharat M Shah -51% Mr. Viraj M Shah -51% Mr. Purav Shah -45% Mr. S. Jayaraman CFO -26%
3.	the percentage increase in the median remuneration of employees in the financial year 2020-21	8.70 %
4.	The number of permanent employees on the roll of company as on 31 st March, 2021	190
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Nil
6.	Affirmation that the remuneration is as per the remuneration policy of the company	It is hereby affirmed that the remuneration paid during the year ended 31st March, 2021 was as per the Nomination and Remuneration Policy of the Company.

1. The Non- Executive directors are entitled for sitting fees as per the statutory provisions. The details of remuneration paid to Non Executive Directors are disclosed in the Corporate Governance Report. Hence, the ratio of remuneration and percentage increase for Non Executive director's remuneration is not considered for the above purpose.
2. Employees for the above purpose include all employees excluding employees governed under collective bargaining and on contract.
3. The decrease in remuneration and in ratios due to reduction is remunerations due to COVID 19.

**For and on behalf of the Board of Directors
For The Ruby Mills Limited**

**Hiren M. Shah
Executive Chairman
DIN: 00071077**

**Place: Mumbai
Dated: 13th August 2021**

MANAGEMENT DISCUSSION AND ANALYSIS

This report covers the operations and financial performance of the Company for the year ended 31st March, 2021 and forms part of the Directors' Report. The first half of the Financial Year was affected due to pandemic (COVID - 19) and the countrywide lockdown which was declared on since 23rd March, 2020.

1. **Overall Review:**

The industries continue to suffer due to country-wide lockdown and slowdown in the manufacturing sector dampening the economic outlook for F.Y. 2020-21. India entered into the technical recession in the first half of the subject Financial Year as economy contracted 24.4% in Quarter 1 and 7.4% in Quarter 2 of the Financial Year. The second half did saw a marginal recovery in the economy and the GDP for Quarter 3 was up by 0.5% and Quarter 4 was up by 1.6%. However, overall the country witnessed the contraction in the GDP by 7.3% during the F.Y. 2020-21. In 2020 the global economy too contracted however the rate of contraction was only 3.3% compared to India rate of contraction at 7.4%.

Textile sector was no exception and was continued to get affected due to weak domestic and global market conditions and due to tough international market conditions. Working and operational parameters at all the plants of the Company were fairly satisfactory during the year after the partial reopening of select industries.

The company derives its income from the business of manufacturing of textiles and the real estate segments. The Company has achieved an overall turnover which was mostly achieved in the Second half of the year.

In Real Estate, the Company's Commercial Project "The Ruby" continued to generate at largely optimum level of occupancy.

2. **Segment Review**

2.1 **Business Segment - Cotton, Synthetics Yarn and Fabrics.**

a) **Industry Structure and Development:**

India is the world's second largest producer of textiles and garments after China. India's textiles industry goes back several centuries and is among the oldest industries in the country. It accounts for 14% of the industry output and is one of the largest contributors to the economy, accounting for ~2% of the GDP. After agriculture, it is the second largest generator of income, employing close to 45 million people and another 6 million people in the allied sector, and thus contributing 10% to the country's manufacturing, owing to its labor intensive nature. The industry is vertically integrated with almost all sub-sectors and is thus integral to the economy. India is the second largest producer and exporter of textiles after China and fifth largest producer and exporter of apparel after China, Bangladesh, Vietnam and Germany. The textiles and apparel industry constitutes ~11% of the total exports of the country and it has a share of 4% global trade. However, one factor affecting India's textile trade is currency fluctuation that remains a challenge for the industry.

Exports have been a core feature of India's textile sector. Indian textiles and apparel exports were estimated at \$35.5 billion in 2019 and were expected to grow at a CAGR of 11% over the next decade to reach \$100 billion by 2029 with the pandemic & its after effects there will be a major shrink in demand patterns and amongst the global players preparing non-Chinese goods. Exports of both man-made textile and readymade garments have seen a major boost. A major factor behind the robustness of India's textile industry is its strong production base with a wide range of fibers and yarns.

The Indian domestic Textile and Apparel market is estimated to be worth \$75 Billion in 2020-21. The market is projected to reach ~\$190 Billion by 2025-26 growing at CAGR of 10%. The Indian apparel sector contributes 73% share of the total Textile and Apparel Market. The country's apparel market is driven mainly by menswear, which commands a 42% share of the total market. Women's wear holds a 37% share of the apparel market. Due to COVID-19 the consumption in all the apparel categories were negatively impacted. However the recovery in the Sales of Kids wear and casual wear recovered faster while categories like ethnic wear and formal wear were worst hit segment.

The Company is proud to be part of this illustrious history of textiles in India having established in 1917. A vertically and horizontally integrated manufacturer of cotton manmade textiles, the Company produces the finest fabric amongst organized fabric segment, which is its flagship business, has a commanding presence in the Indian market as a B2C branded player for suiting, shirting and dress material fabrics. This business vertical has been nurtured by strong channel partner relationships that go back nearly a century, and has been an enabler for its widespread reach throughout India especially catering to the need of fabrics for the common man. Backed by the robust demand for its fabric across Tier 1 to Tier 6 towns, the business has been on a consistent roll with new products and services that cater to customer's changing needs, preferences and aspirational style. In F.Y. 2020-2021, the Branded Textile segment performance was impacted by subdued retail consumption.

Some of the important and positives for the Indian textile industry are:

- India is working on major initiatives, to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on rise. Government is supporting the sector through funding and machinery sponsoring.
- Defence Research and Development Organisation (DRDO) is helping the Indian textile industry to produce yarns and eliminate dependence on import of Chinese and other foreign clothing for military uniforms. Indian defence sector has expressed support towards the Indian technical textile sector.
- In Union Budget 2021, the Government of India unveiled the scheme of development of 7 Mega Integrated Textile Region and Apparel (MITRA) parts as part of a plan to double the industry size.
- In April 2021, the government has approved the production linked incentive scheme, worth Rs. 10,683 crore (US\$ 1.44 billion) for manmade fibre and technical textiles manufacturing.
- 100% FDI (automatic route) is allowed in the Textile Sector.

b) Opportunities and Threats:

- i. Currently the biggest threat is COVID 19 and its impact and aftermath, it is expected that overall textile business will be severely affected which would result in various job losses across the value chain.
- ii. With the re-introduction of lockdown due to Second wave in first half of F.Y. 2021-22 is expected to be very tough and the second half is expected to give some relief to the business and the society in general if all the countries especially India is able to control the COVID 19 Pandemic.
- iii. Going ahead, there could be a positive side for textile business as USA and EU customers who will be looking for alternative sourcing and, may move away from china to other countries such as Vietnam, Bangladesh, India, etc. Hence, it is expected that demand may increase in textile fabrics for exports, but we need to ensure that we prepare ourselves to take the advantage of the expected business which might drift away from China

c) Review and Analysis:

- i. Due to months of lockdown and weak domestic textile market through-out the year and COVID 19, the turnover of our textile units (including exports) is lower by around 40% from that in the previous year. The margins though were under pressure due close markets in various states doubled by liquidity crunch and weak market sentiments.
- ii. For F.Y. 2021-22, the immediate focus shall be on ensuring the earliest dispatches of the finished goods inventory to have a tighter control on the working capital and reigning in fixed costs to conserve cash. In spite of the COVID pandemic the recovery of receivables were quite significant. With the help of PR and digital outreach, the company did reach out to the new end users and influencers to make them understand the value of a quality fabric by tapping the entire gamut of marketing activities over a period of time.

d) Outlook:

- i. With the second wave at the start of the F.Y. 2021-22 and the expected Third wave the overall business outlook looks tough for the textile industry. The major focus to stay competitive in the business shall be continuing measures of cost cutting, improving productivity, reduction in wastages and efforts on taking quality to next level and deriving efficiency to make products further cost competitive.

- ii. With the aggressive Vaccination drive by the Government of India and opening of the markets the division expects to bounce back, with its new world-wide product range ensuring competitive products having anti-microbial, anti-viral features with different finishes along with growing focus on sustainability range of products.
- iii. It is a testing period for all of us, but with our century old good brand image and network in the market, the dependency on reliable reputed players in the market, we expect to be back on track soon.

e) Risks and Concerns:

Overall negative impact is expected across the industry due to Second and Third wave of COVID 19 pandemic. A shift towards online business is expected to happen due to the fear & the restrictions to maintain the social distancing. Also, there could be short time recessionary pressure due to job losses and money crunch in the market and it will take a good Six to Eight months before we could see demand coming back in the Textile industry.

2.2 Business Segment – Real Estate.

a) Industry Structure and Development:

- i. The Indian real estate industry is one of the largest generators of economic activity and is a contributor for a significant part of its GDP. The Real Estate sector ranks high in the direct and indirect employment generation in India. The real estate sector has strong linkages with various other industries such as cement, steel, paints, etc.
- ii. It is estimated that by 2040, Real Estate market will grow to ₹ 65,000 crores from ₹ 12,000 crores in 2019. In India the Real Estate market is expected to reach a market size of USD 1 trillion by 2030. It is expected that Real Estate sector would contribute 13% of India's GDP by the year 2025.
- iii. The Real Estate sector in India has witnessed tremendous growth in the Year 2020. There has been high demand for the commercial as well as residential space. The Real Estate sector witnessed a US\$ 5 billion worth of investment in the Year 2020.
- iv. The Government has introduced several initiatives as part of its continuous endeavor to boost the sector. For reviving the stalled housing projects, the Government has approved the setting of the Alternative Investment Fund of ₹ 25,000 Crores. The Government has announced plans to invest ₹ 105 lakh Crores in infrastructure over the next 5 years. Home loan rates have now been linked to the Repo Rate and hence are at the lowest in a decade thus increasing affordability in the housing space.
- v. The commercial leasing segment which demand recorded a 40% increase in gross absorption over last year to reach 69.4 million sq ft. IT/ITeS sector continues to be the largest demand driver with a share of 42% of the leasing activity followed by co-working spaces, BFSI and other industrial occupiers. The warehousing sector also continued to benefit from government policy initiatives such as the Goods and Services Tax (GST) implementation, global trade dynamics and evolving consumption patterns. Demand for high-quality logistics facilities and increasing market maturity is expected to further drive the growth in the warehousing space.
- vi. Due to the disruption caused by COVID-19 the Government took several effective relief measures like reduction in Stamp Duty percentage by many states from 5% to 2%. Also there has been reduction in the FSI Premiums amount till December 2021 to support the industry.

b) Opportunities and Threats:

The commercial real estate space is expected to boost due to the increasing number of grade-A office spaces for start-ups, education, healthcare, co-working places, SEZs and e-commerce. IT parks and commercial offices are now at par with the DCPR 2034 and new projects location with modern amenities are likely to emerge for commercial real estate growth. Rentals in commercial realty will moderate and help catalyse growth as more users and service providers and investors tend to rent a commercial space rather than buying it.

The Real Estate Regulation Act (RERA) that was passed by the Centre in 2016 and most states in 2017 put a lot of onus on builders which further halted new offerings in the residential space. However it also gave the confidence to the buyer to invest in the new upcoming projects thus boosting the Real Estate Industry.

c) Outlook:

In the mid to long term, the radical changes in the regulatory policies and taxation system introduced by the government is likely to accelerate the sector's growth. The fundamentals of primary demand in it is a testing period for all of us, but with our good brand image and network in the market, the dependency on reliable reputed players in the market, we expect to be back on track soon. The sector continues to remain strong with increase in disposable incomes, rapid urbanization. Market share of organized and corporate players will continue to grow. The Company is uniquely poised to capitalize on the opportunity provided by the changing real estate environment and become one of the top players in the sector in the coming years. The Real Estate Regulation Act (RERA) that was passed by the Centre in 2016 and most states in 2017 put a lot of onus on builders which further halted new offerings in the residential space. However it also gave the confidence to the buyer to invest in the new upcoming projects thus boosting the Real Estate Industry.

d) Segment Review and Analysis:

The commercial projects in Dadar "The Ruby", continue to operate at an optimum level of occupancy.

e) Risks and Concerns:

- i. Indian GDP growth is forecasted to drop significantly in F.Y. 2020-21, particularly due to Covid 19 pandemic and projected to revive in F.Y. 2021-22. Since real estate as a sector is highly correlated to GDP performance, growth of the sector may remain muted.
- ii. The sector continues to face substantial procedural delays with regards to land use, project launches and construction approvals. Delays in launching government policies may impact profitability and affect the company's operating within the sector.

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on Corporate Governance:

Corporate Governance is a set of principles, processes and systems which govern a company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Your Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met accordingly. At The Ruby Mills Limited, the Board of Directors ("the Board") is at the core of our corporate governance practice and oversees how the management serves and protects the long-term interests of our stakeholders., Late Shri. Manharlal Chunilal Shah who has devoted 65 years of his life working towards the growth of your Company believes in adopting and adhering to the best standards of corporate governance to all the stakeholders. We feel proud to belong to a Company whose visionary founder laid the foundation stone for good governance and made it an integral principle of the business.. Our actions are governed by our values and principles, which are reinforced at all levels within the Company which is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances. The Company's corporate governance is therefore based on the following principles:

- Appropriate composition, size of the Board and commitment to adequately discharge its responsibilities and duties.
- Transparency and independence in the functions of the Board.
- Availability of information to the members of the Board and Board Committee to enable them to discharge their fiduciary duties.
- Adequate risk management and Internal Control.
- Protection of shareholders rights and priority for investor relations.
- Timely and accurate disclosure on all matters concerning operations and performance of the Company.

The Company understands and respects its fiduciary role and responsibility to its shareholders. The objective of your Company is not only to meet the statutory requirements but to go beyond it by instituting such systems and procedures as are in accordance with the latest global trend of making management completely transparent and institutionally sound. Your Company has continually been strengthening its business processes, systems, financial reporting, information security systems, disclosures and standards of ethics The report on the Company's corporate governance, as per the applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

2. Board of Directors :

The composition of the Board of Directors of the Company is governed by the provisions of the Companies Act, 2013, ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time. Your Company's Board is a professionally managed Board, consisting of 10 (Ten) Directors in all, categorized as under:

i. Composition of Board of Directors:

The Board has an appropriate mix of Non-Executive and Independent Directors, including a Woman Independent Director, with varied professional background. Independent Directors helps to maintain the independence of the Board and separate the Board functions of governance from business management. The composition of the Board represents an optimal mix of professionalism, knowledge, experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

During the financial year 2020-21, the Board of Directors comprised of 1 (One) Executive Chairman, 2 (Two) Managing Directors, 1 (One) Executive Director along-with 6 (Six) Non-Executive Directors.

Since the Chairman is an Executive Chairman the requirement of half of the Board of Directors as Independent Directors is met with by the Company in view of 5 (Five) Independent Directors out of a total of 10 (Ten) Directors. The Non-Executive Independent Directors are eminent professionals and have experience in the field of finance, taxation, management, administration and law, bringing a wide range of expertise and experience to the Board.

The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage.

The Board does not have any Nominee Director on its board representing any institution.

Composition of the Board and category of Directors:-

Sr. No.	Name	Category	No. of shares held by the Directors as on 31 st March 2021*
1.	Shri Hiren M. Shah	Promoter, Executive Chairman	3,64,300
2.	Shri Bharat M. Shah	Promoter, Managing Director	6,55,000
3.	Shri Viraj M. Shah	Promoter, Managing Director	5,51,320
4.	Shri Purav Hiren Shah	Whole time Director & CEO	3,84,508
5.	Smt. Aruna M. Shah	Promoter, Non-executive Director	13,27,720
6.	Shri Shardul J. Thacker	Independent Non- Executive Director	NIL
7.	Shri Deepak R. Shah	Independent Non- Executive Director	NIL
8.	Shri Yogen S. Lathia	Independent Non- Executive Director	1,600
9.	Shri Mehernosh R. Currawalla	Independent Non- Executive Director	5,000
10.	Shri Pradip N. Kapasi	Independent Non- Executive Director	NIL
11.	Smt. Jasvanti A. Patel	Independent Non- Executive Director	NIL
12.	Shri. Rahul G. Divan	Independent Non- Executive Director	NIL

Note :

5. *Smt. Aruna M. Shah – resigned with effect from 16th March 2021 and appointed as Chairman Emeritus from 16th March, 2021*
7. *Shri. Deepak Shah's designation changed from Independent Director to Non- Executive Director with effect from 30th September 2020*
10. *Shri. Pradip Narottamdas Kapasi- resigned with effect from 17th December 2020*
12. *Shri. Rahul Gautam Divan – appointed with effect from 30th September 2020*

**Company does not have any convertible instruments*

ii. Board Procedure and Access to information

The Board of Directors is responsible for the management of the business of the Company and meets regularly for discharging its role and functions.

The Board of Directors of the Company reviews all information provided periodically for discussion and consideration at its meetings in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Detailed Agenda are circulated to the Directors in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meetings. Where it is not practicable to enclose any document to the agenda, the same is placed before the meeting. In special and exceptional circumstances, additional item(s) on the agenda are permitted to be discussed at the Meeting.

Attendance of each Director at the meeting of the board of directors and the last annual general meeting;

During the year 2020-21, the Board met 5 (Five) times on the following dates May 08, 2020, July 31, 2020, September 30, 2020, November 11, 2020 and February 11, 2021.

Attendance of each Director at the Board Meeting and last Annual General Meeting and number of Chairmanship/ membership in other companies Board committees are given in following table.

Name of Director	Status Executive/ Non-Executive	No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM	No. of Directorship in other Cos.		No. of Chairmanship/ membership in other Board/ Committee	
					Public	Pvt.	Chairmanship	Membership
Shri. Hiren M. Shah	EC	5	5	Yes	-	4	-	-
Shri Bharat M. Shah	MD	5	5	Yes	-	4	-	-
Shri. Viraj M. Shah	MD	5	5	Yes	-	4	-	-
Smt. Aruna M. Shah*	NED	5	5	Yes	-	-	-	-
Shri Shardul J. Thacker	NED/ ID	5	5	Yes	1	3	-	-
Shri Deepak R. Shah	NED	5	5	Yes	2	-	1	3
Shri Yogen S. Lathia	NED/ ID	5	5	Yes	-	2	-	-
Shri Purav H. Shah	WTD	5	5	Yes	-	3	-	-
Shri Mehernosh R. Currawalla	NED/ ID	5	5	Yes	-	3	-	-
Shri Pradip N. Kapasi**	NED/ ID	4	4	Yes	-	1	-	-
Smt. Jasvanti A. Patel	NED/ ID	5	5	Yes	-	-	-	-
Shri. Rahul G. Divan	NED/ ID	3	3	Yes	-	7	-	1

Note :

Smt. Aruna M. Shah - resigned with effect from 16th March 2021 and appointed as Chairman Emeritus from 16th March, 2021

Shri. Deepak Shah's designation changed from Independent Director to Non- Executive Director with effect from 30th September 2020

Shri. Pradip Narottamdas Kapasi- resigned with effect from 17th December 2020

Shri. Rahul Gautam Divan - appointed with effect from 30th September 2020

Directorship in other listed Companies:

Sr No.	Name of Director	Name of Company	Category
1.	Deepak R. Shah	Marathon Nextgen Realty Limited Siyaram Silk Mills Limited	Non-Executive - Independent Director Non-Executive - Independent Director
2.	Rahul G. Divan	Integra Engineering India Ltd.	Non-Executive - Independent Director

Note:

- The Directorships held by Directors mentioned above do not include Alternate Directorship and Directorship in Foreign Companies, Section 8 Companies.
- In accordance with Regulation 26 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships/Chairmanships of only the Audit Committees and Shareholders/Investors Grievance Committee in all Public Limited Companies (excluding The Ruby Mills Limited) have been considered.
- Membership Includes Chairmanship of Committee.

iii. Inter-se relationships among Directors

Sr. No.	Name of Director	Inter - se Relationship
1.	Shri. Hiren M. Shah	Son of Smt. Aruna Shah, Father of Shri. Purav Shah and Brother of Shri. Bharat Shah & Shri. Viraj Shah
2.	Shri Bharat M. Shah	Son of Smt. Aruna Shah and Brother of Shri. Hiren Shah & Shri. Viraj Shah
3.	Shri. Viraj M. Shah	Son of Smt. Aruna Shah and Brother of Shri. Hiren Shah & Shri. Bharat Shah
4.	Smt. Aruna M. Shah*	Mother of Shri. Hiren M. Shah, Shri Bharat M. Shah & Shri. Viraj M. Shah
5.	Shri. Purav H. Shah	Son of Shri. Hiren Shah
6.	Shri Deepak R. Shah	No Relation
7.	Shri Yogen S. Lathia	No Relation
8.	Shri Shardul J. Thacker	No Relation
9.	Shri Mehernosh R. Currawalla	No Relation
10.	Smt. Jasvanti A. Patel	No Relation
11.	Shri. Rahul G. Divan	No Relation
12.	Shri. Pradip N. Kapasi**	No Relation

* Smt. Aruna M. Shah - resigned with effect from 16th March 2021

** Shri. Pradip Narottamdas Kapasi - resigned with effect from 17th December 2020

iv. Code of Conduct

The Company has adopted a Code of Conduct for the Members of the Board and the Senior Managements. All the members of the Board and the Senior Management Personnel have affirmed compliance to the Code of Conduct as on 31st March, 2021 and a declaration to that effect signed by the Chief Executive Officer & Whole Time Director is given below.

I hereby confirm that

“The Company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct for directors and senior management in respect of the financial year 2020-21.”

Purav H. Shah
Chief Executive Officer & Whole Time Director
DIN No. 00123460

v. Skills/Expertise/Competence of the Board of Directors:

In terms of requirement of Listing Regulations, the Board has identified the following skills / expertise / competencies of the Directors as given below:

Skills and its description	Shri. Bharat Shah	Shri. Hiren Shah	Shri. Viraj Shah	Shri. Purav Shah	Shri Deepak R. Shah	Shri Yogen S. Lathia	Shri Shardul J. Thacker	Shri Mehernosh Rusi Currawalla	Shri. Rahul Gautam Divan	Smt. Jasvanti Amar Patel
Leadership experience of running large enterprise	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Experience of crafting Business Strategies	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Understanding of Consumer and Customer Insights in diverse environments and conditions	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Finance and Accounting Experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Experience in overseeing large and complex Supply Chain	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Understanding use of Digital / Information Technology	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Experience of large companies and understanding of the changing regulatory landscape	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Communication and Negotiation Skill	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

vi. Confirmation:

In the opinion of the board, the Independent Directors fulfil the conditions specified in the regulations applicable to the Company and are Independent of the management.

Independent Directors have also given declaration under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 confirming compliance with Rule 6(1) and (2) of the said Rules that their names are registered in the databank as maintained by the Indian Institute of Corporate Affairs (“IICA”). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of

Directors) Rules, 2014, the Independent Directors, if applicable, are required to undertake online proficiency self-assessment test conducted by the IICA within a period of two (2) years from the date of inclusion of their names in the data bank or such time as amended by the Central Government. The Independent Directors would take the said assessment test within the prescribed timelines.

During the financial year 2020-21, Shri. Pradip Narottamdas Kapasi, the Independent Director of the Company tendered his resignation with effect from December 17, 2020 due to personal reasons. There were no other material reasons for his resignation and he confirms the same in the resignation letter provided by him to the Company.

vii. Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting:

The provisions of Section 149 and 152(6) of the Companies Act, 2013 and rules made thereunder, stipulate that at least 1/3rd of the 2/3rd of the Directors of the Company other than Independent Directors, are liable to retire by rotation every year. Accordingly, Shri Hiren Shah (DIN: 00071077) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

3. Board Committees

The Board has constituted various Committees with an optimum representation of its members and with specific terms of reference in accordance with the Act and the SEBI Listing Regulations. To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted a set of Committees with specific terms of reference/ scope. The committees operate as the Board's empowered agents according to their charter/ terms of reference.

The Board has constituted the below mentioned committees:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee
- d) Corporate Social Responsibility Committee
- e) Risk Management Committee

The Committees are represented by a combination of Non-Executive Independent Directors and Key Managerial Personnel of the Company. These Committees play an important role in the overall Management of day to-day affairs and governance of your Company. The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The recommendations of the Committee(s) are submitted to the Board for its approval.

i. Audit Committee

Audit committee has been formed in line with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Regulations read with Part C of Schedule II. Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulation. All members of the Audit Committee are financially literate and expertise in the domain of finance, Taxation and Risk.

The terms of reference of the Audit Committee are broadly as under:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment, remuneration and terms of appointment of auditors and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- Approving payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements before submission to the Board for approval;
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

- b. Changes, if any, in accounting policies and practices along with reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - Approval or any subsequent modification of transactions of the company with related parties;
 - Scrutiny of inter-corporate loans and investments
 - Valuation of undertaking or assets of the company, whenever it is necessary
 - Evaluation of internal financial controls and risk management systems
 - Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - Discussing with the internal auditors any significant findings and follow up there on;
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - Reviewing the functioning of the Whistle Blower mechanism;
 - Approving the appointment of the Chief Financial Officer after assessing the qualifications, experience and background, etc., of the candidate; and
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.
 - Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date.

The Audit Committee shall mandatorily review the following:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the internal auditor.
- Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015.
 - b) Annual statements of funds utilized for the purpose other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015.

Further, the audit committee ensures that it has reviewed each area that is required to review under its terms of reference and under applicable regulation or by way of good practice. This periodic review ensures that all areas within the scope of committee are reviewed.

The Audit Committee of the Company met 5 (Five) times during the year as per the dates mentioned below:

May 08, 2020, July 31, 2020, September 30, 2020, November 11, 2020 and February 11, 2021.

The Audit Committee of the Board comprises of 1(One) Executive Director and 2 (Two) Non-Executive Independent Directors Recommendations of the Audit Committee, if any, are considered and implemented by the Board from time to time.

The Composition of Audit Committee and the details of meetings attended by its members are given below:

Sr. No.	Name of the Audit	Category of Directorship	Status	Number of Audit Committee Meetings held and attended during the Year					No. of Meetings attended
				May 08, 2020	July 31, 2020	September 30, 2020	November 11, 2020	February 11, 2021	
1.	Shri. Deepak R. Shah	Non-Executive Director - Independent	Chairman*	✓	✓	✓	NA	NA	3/3
2.	Shri. Shardul J. Thacker	Non-Executive Director - Independent	Chairman**	✓	✓	✓	✓	✓	5/5
3.	Shri. Yogen Lathia	Non-Executive Director - Independent	Member	✓	✓	✓	✓	✓	5/5
4.	Shri. Bharat M. Shah	Managing Director	Member	✓	✓	✓	✓	✓	5/5

*Shri. Deepak Shah due to his cessation from the position of Independent Director of the Company, ceased to be the member of the Committee with effect from 29th September 2020. His designation was changed from Independent Director to Non-Executive Director with effect from 30th September 2020.

** Shri. Shardul J. Thacker was appointed as the Chairman of the Audit Committee with effect from 30th September 2020.

The Chief Financial Officer, Chief Executive Officer and the representative of Statutory Auditor, Internal Auditor and Secretarial Auditor were also invited to attend the Audit Committee meetings. Shri. Shardul Thacker was present at 104th Annual General Meeting of the Company held on December 17, 2020 to attend and reply to the shareholders queries.

The Company generally considers and reviews all items listed in the applicable acts and regulations. The Committee mandatorily reviews information as per the requirement of applicable acts and regulations and such other matters as considered appropriate by it or referred to it by Board.

ii. Nomination and Remuneration Committee:

The Board of Directors of the Company has constituted the Nomination and Remuneration Committee in conformity with and keeping a good balance with the requirements under provisions of Section 178 of the Companies Act, 2013 and is in line with the provisions of the relevant requirements of Securities and Board of India (Listing Obligations and Disclosure Regulations) Regulations, 2015 to determine and review the remuneration package of Managing/Whole-time/Executive/Independent Directors, senior officers of the Company, evaluating performance of directors/senior officer and to deal with other matters related to appointment and removal of managerial/ directors/ senior personnel.

Brief description of Terms of Reference:

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- To formulate the criteria for evaluation of performance of independent directors and the board of directors;
- To devise a policy on diversity of board of directors;
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance;
- To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- To recommend to the board, all remuneration, in whatever form, payable to senior management.

Further, the Nomination and Remuneration Committee ensures that it has reviewed each area that is required to review under its terms of reference and under applicable acts/ regulation or by way of good practice.

Nomination and Remuneration Committee Meeting of the Company was held on 8th May, 2020, 30th September, 2020 and 11th November, 2020 during the financial year ended 31st March, 2021. Presently, the Company does not have any Stock Option Scheme.

The Composition of Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Sr. No.	Name of the Remuneration Committee Member	Category of Directorship	Status	Number of NRC Meetings held and attended during the Year			No. of Meetings Attended
				May 08, 2020	September 30, 2020	November 11, 2020	
1.	Shri. Yogen S. Lathia	Non-Executive Director - Independent	Chairman	✓	✓	✓	3/3
2.	Shri Shardul J. Thacker	Non-Executive Director - Independent	Member	✓	✓	✓	3/3
3.	Shri. Deepak R. Shah	Non-Executive Director - Independent	Member*	✓	✓	NA	2/2
4.	Shri. Mehernosh Rusi Currawalla	Non-Executive Director - Independent	Member**	NA	NA	✓	2/2

*Shri. Deepak Shah due to his cessation from the position of Independent Director of the Company, ceased to be the member of the Committee with effect from 29th September 2020. His designation was changed from Independent Director to Non-Executive Director with effect from 30th September 2020.

**Shri. Mehernosh Rusi Currawalla was inducted to the NRC Committee of the Board with effect from 29th September 2020.

Remuneration Policy

The remuneration policy for working directors is in line with the other peer Companies and reviewed periodically. The payment of remuneration is duly approved by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee and the Shareholders.

The performance evaluation criteria for Independent Directors and criteria of making payments to Non-Executive Directors forms part of Nomination cum Remuneration Policy which has been uploaded on the Company's website at the following link- <http://site.rubymills.com/investors/policies/nomination-cum-remuneration-policy>.

Directors Remuneration

Details of remuneration paid to Managing Directors and Whole-time Directors for the year ended March 31, 2021 are as follows:-

All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;

(Amount In)				
Name of Director	Shri H. M. Shah	Shri B. M. Shah	Shri V. M. Shah	**Shri P. H. Shah
Designation	Executive Chairman	Managing Director	Managing Director	Whole time Director & CEO
Salary (a)	58,15,467	58,15,467	58,15,467	34,03,277
*Value of Perquisite (a)	70,453	70,453	70,453	1,52,944
Contribution to PF (a)	6,97,856	6,97,856	6,97,856	4,08,393
details of fixed component and performance linked incentives, along with the performance criteria;	-	-	-	-
service contracts, notice period, severance fees;	-	-	-	-
stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.	-	-	-	-
Total	65,83,776	65,83,776	65,83,776	39,64,614

* Value of perquisites include Telephone, vehicle expense etc.

Sitting Fees & Commission paid to Non-executive Directors

The Non-Executive Directors are paid sitting fees at the rate of *₹ 30,000/- for attending each meeting of the Board and Audit Committees and ₹ 7,500/- for attending each meeting of the Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship/ Shareholders/ Investor Grievance Committee respectively. There has been no pecuniary relationship or transactions of the Non-Executive Directors with the Company.

In respect of the financial year 2019-20 the sitting fees paid/payable to the Non-Executive Directors are as detailed below.

(Amount In ₹)

Sr.No.	Name	Total Sitting fees paid
1.	Smt Aruna M. Shah*	1,57,500
2.	Shri Shardul J. Thacker	3,45,000
3.	Shri Deepak R. Shah	3,22,500
4.	Shri Yogen S. Lathia	3,37,500
5.	Shri Mehernosh Rusi Currawalla	1,87,500
6.	Shri Pradip Narottamdas Kapasi**	1,27,500
7.	Smt. Jasvanti Patel	1,65,000
8.	Shri Rahul Gautam Divan	97,500

* Smt. Aruna M. Shah - resigned with effect from 16th March 2021

** Shri. Pradip Narottamdas Kapasi - resigned with effect from 17th December 2020

- Note:**
- 1) No commission is paid to any of the Non - Executive Directors.
 - 2) There are no pecuniary relationship or transactions of the non-executive directors vis-à-vis The Ruby Mills Limited

iii. Stakeholders Relationship Committee:

Brief Description of Terms of Reference:

The Composition of Stakeholders' Relationship Committee is in compliance with provision of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulation. The brief terms of reference of the Committee includes resolving grievances of all the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, and non-receipt of declared dividend. Stakeholders Relationship Committee has the mandate to review and redress shareholder grievances.

Stakeholders Relationship Committee Meeting of the Company was held on 11th February, 2021 during the financial year ended 31st March, 2021.

The Composition of Stakeholders Relationship Committee of the Board comprises of 4 (four) members and the details are given below:-

Sr. No.	Name of the Stakeholders Relationship Committee Member	Category of Directorship	Status	Number of SRC Meetings held and attended during the year	No. of Meetings Attended
				February 11, 2021	
1.	Shri Deepak R. Shah	Non-Executive, Independent	Chairman*	NA	NA
2.	Shri. Mehernosh R. Currawalla	Non-Executive Director - Independent	Chairman**	✓	1/1
3.	Shri Hiren M. Shah	Executive Chairman	Member	✓	1/1
4.	Shri Bharat M. Shah	Managing Director	Member	✓	1/1
5.	Shri Viraj M. Shah	Managing Director	Member	✓	1/1

*Shri. Deepak Shah due to his cessation from the position of Independent Director of the Company, ceased

to be the member of the Committee with effect from 29th September 2020. His designation was changed from Independent Director to Non-Executive Director with effect from 30th September 2020.

** Shri. Mehernosh Rusi Currawallawas inducted to the SRC Committee and appointed as the Chairman of the Committee with effect from 16th October, 2020

Name & Designation of Compliance Officer:

The Board on recommendation of Nomination and Remuneration Committee appointed Shri. Pranav Maru as Compliance Officer and Company Secretary with effect from 2nd March, 2020. Shri. Pranav Maru resigned from the position of the Company Secretary & Compliance Officer with effect from 14th February 2021. Shri. S. Jayaraman was appointed as Compliance Officer with effect from 15th February 2021.

A statement of various complaints received and redressed by the Company during the year financial ended 31st March, 2021 is given below:

Name of Complaint	Number of Investors' Complaint pending at the beginning of the year	Number of Investors' Complaint received during the year	Number of Investors' Complaints disposed of during the year	Number of Investors' Complaints remaining unresolved at the end of the year
Non Receipt of Annual Report	-	-	-	-
Non Receipt of Dividend Warrants	-	-	-	-
Non Receipt of Bonus Shares	-	-	-	-
Request for Duplicate Share Certificates	-	-	-	-
Non Receipt of Share Transferred	-	-	-	-
Others	-	-	-	-
Letters from Stock Exchanges/SEBI	-	-	-	-
Ministry of Corporate Affairs	-	-	-	-
Total	NIL	NIL	NIL	NIL

Compliance Certificate

Compliance Certificate for Corporate Governance from Statutory Auditors of the Company is annexed to this report.

iv. Corporate Social Responsibility Committee

The Board of Directors of the Company has constituted Corporate Social Responsibility Committee in line with the provisions of Section 135 and Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

Brief description of Terms of Reference:

To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 to recommend the amount of expenditure to be incurred on the activities; and monitor the Corporate Social Responsibility Policy of the Company from time to time.

Corporate Social Responsibility Committee Meeting of the Company was held on 31st July, 2020 during the financial year 2020-21.

The Composition of Corporate Social Responsibility Committee of the Board comprises of 3 (three) members and the details of meetings attended by its members are given below:

Sr.No.	Name of the Corporate Social Responsibility Committee Member	Category of Directorship	Status	Number of CRC Meetings held and attended during the year	No. of Meetings Attended
				July 31, 2020	
1.	Shri Hiren M. Shah	Executive Chairman	Chairman	✓	1/1
2.	Shri Shardul J. Thacker	Non-Executive Director - Independent	Member	✓	1/1
3.	Smt. Aruna M. Shah	Non-executive Director	Member	✓	1/1
4.	Shri Viraj M. Shah	Managing Director	Member	NA	NA

3. Smt. Aruna M. Shah - due to her resignation from the position of Directorship of the Company, ceased to be the member of the Committee with effect from 16th March 2021.

4. Shri. Viraj M Shah was inducted to the SRC Committee with effect from 16th March 2021.

v. Risk Management Committee

The Risk Management Committee is responsible for formulating a Risk Management Policy which shall indicate the procedure and measures to be taken to identify and minimize the risks impacting the Company's business; to recommend the Board members about risk assessment and minimization procedure; and to monitor the implementation of recommendations made by committee to the Board.

The Risk Management Committee of the Board comprises of 3 (Three) executive directors of the Company:-

Sr.No.	Name of the Risk Management Committee Member	Category of Directorship	Status
1.	Shri. Hiren M. Shah	Executive Chairman	Chairman
2.	Shri. Viraj M. Shah	Managing Director	Member
3.	Shri. Purav H. Shah	Executive Director & Chief Executive Officer	Member

4. Independent Directors Meeting:

In a separate meeting of independent directors held on 22nd July, 2020 and 2nd March, 2021, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was reviewed and evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors.

5. General Body Meetings:

The details of Annual General Meetings held in last three years are as under:-

AGM	DAY	DATE	TIME	VENUE	Details of the Special Resolutions
104 th	Thursday	December 17, 2020	4.30 pm	AGM via video conferencing (Registered Office of the Company at Ruby House, J. K. Sawant Marg, Dadar, Mumbai - 400028	<ol style="list-style-type: none"> 1. Re-appointment of Shri. Yogen S. Lathia (DIN: 00299334) as an Independent Director of the Company in terms of Section 149 of the Companies Act, 2013 for a second term of five consecutive years. 2. Revision in remuneration of Shri. Purav Hiren Shah, (DIN: 00123460), Chief Executive Officer and Whole-Time Director of the Company.
103 rd	Friday	September 20, 2019	4:30 p.m	Ruby House, J. K. Sawant Marg, Dadar, Mumbai - 400028	<ol style="list-style-type: none"> 1. Re-appointment of Shri. Shardul J. Thacker (DIN: 00153001) as an Independent Director for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013
102 nd	Friday	September 28, 2018	4:30 pm	Ruby House, J. K. Sawant Marg, Dadar, Mumbai - 400028	<ol style="list-style-type: none"> 1. Continuation of term of Smt. Aruna Manharlal Shah as Non-Executive Director due to attainment of age of 75 years. 2. Revision in remuneration payable to Shri Hiren M. Shah, Executive Chairman of the Company, with effect from June 01, 2018. 3. Revision in remuneration payable to Shri Bharat M. Shah, Managing Director of the Company, with effect from June 01, 2018. 4. Revision in remuneration payable to Shri Viraj M. Shah, Managing Director of the Company, with effect from June 01, 2018.

- a. Whether special resolutions were put through postal ballot last year? **No**
- b. Are special resolutions proposed to be put through postal ballot this year? **No**

6. No Extra Ordinary General Meeting was held during the year under review.

7. Familiarisation Programme

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected from him as a Director of the Company. The Director is also explained in detail, the Compliance required from him under the Act, the Listing Regulations and other various statutes and an affirmation is obtained. The Chairman and Managing Director also have a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. Details of the programme for familiarisation of Independent Directors with the working of the Company are available on the website of the Company and can be accessed on <http://site.rubymills.com/investors/familiarisation-programme-for-independent-directors>

8. Disclosures

a. Disclosure regarding materially significant related party transactions :

During the year under review, besides the transactions reported in Directors Report, there were no other related party transactions with the promoters, directors and management that had a potential conflict with the interest of the Company at large.

All the transactions with related parties are periodically placed before the Audit Committee. The Register of Contracts detailing transactions in which Directors are interested is placed before the Board for its approval. Transactions with related parties, as per requirements of Companies Act, 2013 and Indian Accounting Standard 18, are disclosed in Note No. 46 to the Accounts and in the Directors Report part of the Annual Report and they are not in conflict with the interest of the Company at large. The board has approved a policy on related party transactions which has been uploaded on the Company's website at the following link <http://site.rubymills.com/investors/policies/related-party-transactions>

b. Disclosure of non-compliance by the Company:

During the year under review, the following penalties were levied by the BSE and NSE.

Sr. No	Exchange	Particulars	Amount (In ₹)	Status
1.	Bombay Stock Exchange & National Stock Exchange	Reg 33 Approval of Financial Results (SEBI by its circular no SEBI/HO/CFD/CMD1/CIR/P/2020/140 dated 29th July,2020 has extended time for approval of financial results for the quarter ended on 30th June,2020 till 15th September, 2020 and results of the Company for quarter ended 30th June were approved on 30th September, 2020.)	88,500 by BSE and NSE	Paid However, we have received waiver from NSE for the amount of ₹ 88,500/-
2.	Bombay Stock Exchange & National Stock Exchange	Regulation 20(2)/(2A) Non-compliance with the constitution of Stakeholder Relationship Committee (SRC). Delay for a period of 17 days	39,220 by BSE and NSE	Paid However, we have received waiver from BSE for the amount of ₹ 2,360/-

c. Whistle blower and Vigil Mechanism policy:

The Company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons. The reports received from any employee will be reviewed by the Audit Committee. It is affirmed that no person has been denied access to the Audit Committee in this respect. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice. The said policy has been also put up on the website of the Company at the following link- <http://site.rubymills.com/investors/policies/vigil-mechanismwhistle-blower-policy>

- d. The Company has complied with the Mandatory requirements regarding the Board of Directors, Audit Committees and other Board Committees and other disclosures as required under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The status of compliance in respect of non-mandatory requirement the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

- i. Maintenance of the Chairman's Office:**
The Company has an Executive Chairman and the office provided to him for performing his executive duties is also utilized by him for discharging his duties as Chairman. No separate office is maintained for the Non-Executive Chairman of the Audit Committee but Secretarial and other assistance is provided to him whenever needed, in performance of his duties.
- ii. Shareholders' Rights:**
Un-audited quarterly financial results are sent to the stock exchanges and published in the newspapers as per the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015.
- iii. Modified opinion(s) in audit report:**
There are no qualifications in the Auditor's Report on the financial statements to the Shareholders of the Company.
- iv. Reporting of internal auditor:**
The Internal Auditor directly reports to the Audit Committee.
- e. Hedging of Risk:**
Company is not having material exposure to foreign exchange and there is a natural hedging party available in terms of exports made by the Company.
- f. Preferential Allotment**
There has been no preferential allotment or qualified institutions placement done by the Company during the financial year.
- 9. Disclosures of the Compliances:**
The Company has disclosed about the Compliance of regulations in respect of Corporate Governance under the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on its website i.e. www.rubymills.com
- 10. CEO/CFO Certification:**
Chief Executive Officer and Chief Financial Officer have issued necessary certificate in accordance with Regulation 17(8) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the financial year ended March 31, 2021 and the same is annexed and forms part of the Annual Report.
- 11. Declaration regarding Code of Conduct:**
Board has laid down a Code of Conduct and Ethics for all Board Members and Senior Management Personnel of the Company. The code has been circulated to all the Board Members and senior management and the same is available on the Company's website at the following link - <http://www.ubymills.com/investors/code-of-conduct>. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the Financial Year 2020-21.
- 12. Means of Communication of quarterly results:**
The quarterly, half yearly and annual results of the Company are published in newspapers viz The Financial Express and in Navshakti for the quarter ended, 30th June, 2020, 30th September, 2020, 31st December, 2020 and 31st March, 2021. They are also available on the website of the Company i.e. <http://www.rubymills.com/investors>.
- 13. Website:**
In compliance with Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015, the Company is maintaining a website i.e. <http://www.rubymills.com/investors>, containing financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the company who are responsible for assisting and handling investor grievances. The company updates the contents of the website on a regular basis. Further, there are no presentations made to institutional investors or to the analysts.
- 14. General Shareholder Information**

 - a. Annual General Meeting to be held :**
Day : Tuesday
Date : 28th September, 2021
Time : 4:30 p.m.
Venue : Ruby House, J.K. Sawant Marg, Dadar, Mumbai-400028

b. Calendar of Financial Year: 2021-22:

The Company follows April- March as the financial year.

First Quarterly Unaudited Results	Within 45 days of the end of the quarter
Second Quarterly Unaudited Results	Within 45 days of the end of the quarter
Third Quarterly Unaudited Results	Within 45 days of the end of the quarter
Audited Yearly Results for the Year Ended 31 st March, 2022	On or before 30 th May, 2022.

c. Preferential Allotment

There has been no preferential allotment or qualified institutions placement done by the Company during the financial year.

d. Dividend:

The Board at its meeting held on 13th August,2021 has recommended final dividend of ₹ 0.75 per Equity Share for the Financial Year ended 31st March,2021.The proposal is subject to the approval of Shareholders at General Meeting to be held on, 28th September, 2021.

e. Listing on Stock Exchanges at:

The Equity Shares of the Company are listed at

- i. BSE Limited - Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
- ii. National Stock Exchange of India Ltd - Exchange Plaza, C-1, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

Note: Listing fees have been paid to the above Stock Exchanges for the year 2021-22.

f. Stock / Company / Security / Common Code : Equity Shares.

- i. Bombay Stock Exchange, Mumbai : 503169
- ii. National Stock Exchange of India Limited : RUBYMILLS
- iii. ISIN : INE301D01026

g. Market price Data :

The monthly high and low quotations and volume of shares traded at the National Stock Exchange of India Ltd and BSE Limited during the financial year 2020-21 are given below:

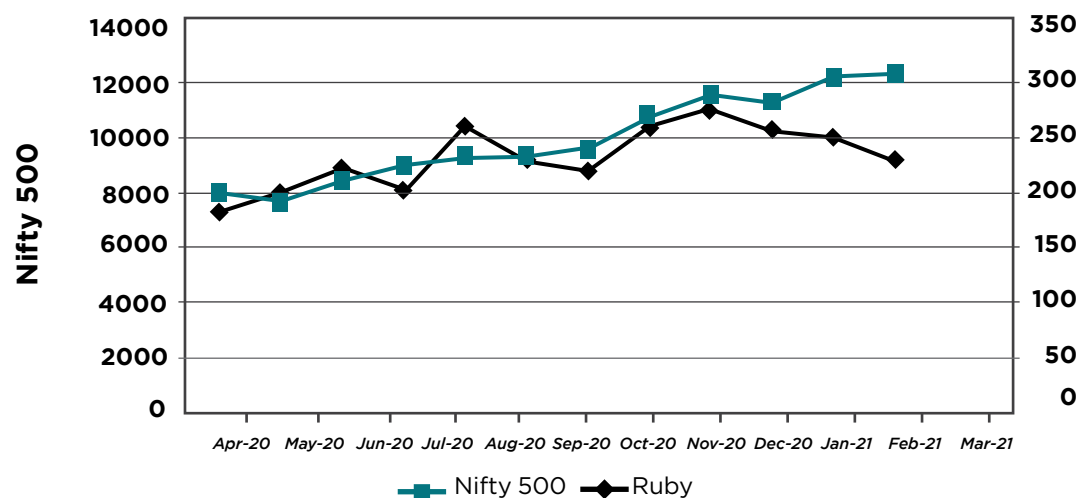
Stock Price
For the period: April 01, 2020 to March 31, 2021
Script Code: RUBYMILLS (NSE) 503169 (BSE)

Month	NSE			BSE		
	High Price	Low Price	Volume Traded (No. of Shares)	High Price	Low Price	Volume Traded (No. of Shares)
Apr-20	148.00	116.75	42,402	145.50	116.60	22,342
May-20	142.70	118.15	41,710	144.90	120.00	17,078
June-20	177.00	138.05	59,314	179.20	147.00	29,468
July-20	170.80	145.60	32,787	168.00	144.90	7,455
Aug-20	210.00	148.00	2,34,565	210.00	140.40	37,325
Sept-20	188.55	154.95	66,039	186.75	155.35	33,458
Oct-20	173.15	153.70	53,860	171.00	155.05	9,616
Nov-20	209.40	134.40	2,51,188	209.35	147.00	59,411
Dec-20	227.00	170.10	5,11,540	227.00	181.00	62,811
Jan-21	213.00	178.45	2,27,307	212.15	180.00	47,273
Feb-21	208.15	177.20	1,01,509	205.15	178.20	21,421
Mar-21	199.00	162.55	1,63,697	196.80	162.55	1,07,627

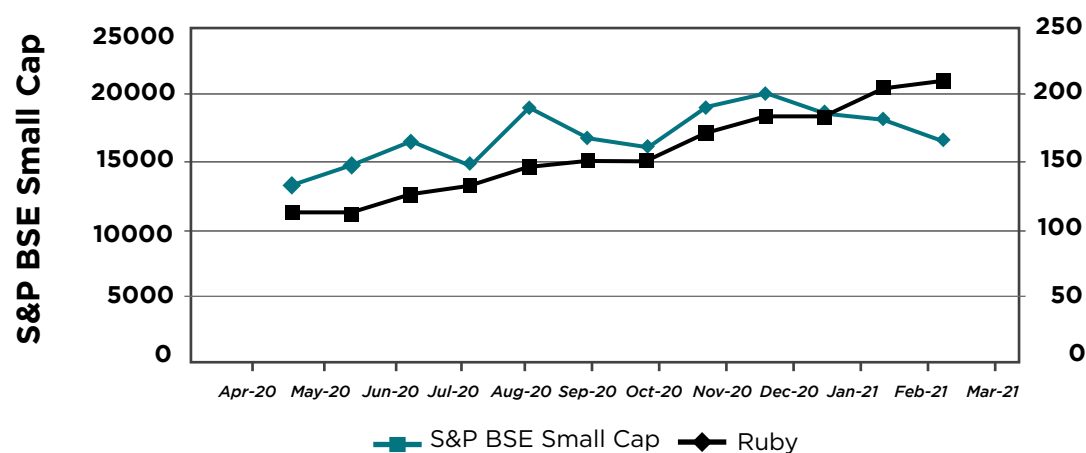
h. Liquidity

Shares of the Company are actively traded on BSE and NSE as is seen from the volume of shares indicated in the table containing stock market data and hence ensure good liquidity for the investors.

Performance in Comparison to broad-based indices such as NSE Nifty:



Performance in Comparison to broad-based indices such as BSE Sensex:



i. Registrar to issue and Share Transfer Agents :

The Company has engaged the services of Bigshare Services Private Limited, a SEBI registered Registrar as its Share Transfer Agents for processing the transfers, sub-division, consolidation, Splitting of Securities, etc. The requests for transfers, sub-division, consolidation, splitting of securities, demat and remat should be sent directly to Bigshare Services Private Limited. Shareholders have the option to open their accounts with either NSDL or CDSL as the Company has entered into Agreements with both these Depositories.

j. Share Transfer System:

The Company has appointed a Common Registrar for the physical transfer and dematerialisation of shares. Presently the shares transfers which are received in physical form are processed by the Registrar and Share Transfer Agent and approved by the Share Transfer Committee of the Board and same are placed before Board Meeting. Shares certificates are registered and returned within the stipulated time of 15 days from the date of receipt, subject to transfer instruments being valid and complete in all respects. Physical Shares recorded for dematerialisation are processed and completed within the stipulated time if the documents are complete in all respects.

The Company obtains from a Company Secretary in Practice, half yearly certificates of Compliance with the Share transfer facilities as required under relevant regulations issued by Securities of Exchange Board of India and files a copy of certificate with the Stock Exchanges.

k. Secretarial Audit for Reconciliation of Share Capital:

A qualified Practicing Company Secretary carried out the Secretarial Audit to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued/paid-up listed equity capital of the Company.

The Secretarial Audit Report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the dematerialisation form.

l. Outstanding GDRs / ADRs / Warrants or any Convertible instruments and their impact on equity

The Company does not have any outstanding GDRs / ADRs / warrants / convertible instruments.

m. Distribution of Share holding
i. The shareholding distribution of equity shares as of March 31, 2021 is given below:

Sr. No.	Range	Total Holders	% of Total Holders	Share Amount	Percentage of shareholding
1	1 - 5000	6457	92.7064	45,70,130	5.4667
2	5001 - 10000	225	3.2304	16,97,330	2.0303
3	10001 - 20000	140	2.0101	20,15,715	2.4111
4	20001 - 30000	45	0.6461	11,08,005	1.3254
5	30001 - 40000	22	0.3159	7,61,875	0.9113
6	40001 - 50000	12	0.1723	5,39,595	0.6454
7	50001 - 100000	28	0.4020	19,30,155	2.3088
8	100001 and above	36	0.5169	7,09,77,195	84.9010
	TOTAL	6965		8,36,00,000	100.00

ii. Shareholding pattern as on March 31, 2021

Sr. No.	Category	No. of Shares held	% of Share holding
1	Promoters/Directors/Directors Relative	1,25,23,420	74.90
2	Resident Individuals	34,30,915	20.52
3	Private Corporate Bodies	6,43,561	3.85
4	NRIs	106054	0.63
5	Clearing Members	13682	0.08
6	IEPF	2368	0.01
	TOTAL	1,67,20,000	100.00

n. Dematerialisation of equity Shares

As on March 31, 2021, 99.69% of the Company's total equity shares representing 1,66,67,396 shares are held in dematerialised form and the balance 0.31% representing 52,604 shares are in physical form.

o. Plant Locations (Manufacturing Units)

Dhamni Unit Address	Kharsundi Unit Address
Village Dhamni Off. Savroli Kharpada Road, Taluka Khalapur Dist. Raigad. Pin: 410202	Village Kharsundi Savroli Kharpada Road Taluka Khalapur Dist. Raigad. Pin: 410202

p. Address for Correspondence

Any query on Annual Report or Investors Grievance Redressal:
By email: info@rubymills.com
By telephone: 022-24387800

q. Investor Correspondence

For shares held in physical form	For shares held in Demat form
Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road, Marol, Andheri (e) Mumbai - 400059 Tel : 022- 62638204 Email : investor@bigshareonline.com	Investors' concerned Depository Participant(s) and/or Bigshare Services Private Limited

r. Unclaimed Dividends

Section 124 of Companies Act, 2013 mandates that companies transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned as follows, if unclaimed within a period of seven years, will be transferred to IEPF.

Financial Year	Date of declaration of dividend	Dividend (%)	Dividend Per Share in (₹)	Amount (₹)#
2013-14	September 24, 2014	40	2.00	14,124.00
2014-15	September 30, 2015	50	2.50	68,280.00
2015-16	March 05, 2016	25	1.25	44,730.00
2016-17	September 27, 2017	35	1.75	73,860.05
2017-18	September 28, 2018	35	1.75	74,977.00
2018-19	September 20, 2019	35	1.75	94,874.50
2019-20	February 13, 2020	35	1.75	78,942.50

Amount unclaimed as at 31st March, 2021

Members who have so far not encashed their dividend warrants/DD are requested to write to the Company/Registrar to claim the same, to avoid transfer to IEPF.

Members are also requested to note that in accordance to Section 124(6) of the Act read with the IEPF Rules, as amended, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to an IEPF Demat Account. Hence members who have so far not encashed dividend warrant for the aforesaid years are requested to approach the Company's Registrar and Transfer Agent immediately.

Members are requested to note that no claims shall lie against the Company in respect of unclaimed dividend amount and/or shares transferred to IEPF Authority pursuant to the said Rules. For the information of shareholders, the Company regularly uploads the details of unpaid and unclaimed dividend on the website of the Company, as mandated by Investor Education and Protection Fund (Uploading of information regarding Unpaid and Unclaimed amount lying with Companies) Rules, 2012. Shareholders may refer the same for information pertaining to their unclaimed dividends.

s. Credit rating:

Brickworks has given the Credit rating of BB+ for Long Term Borrowing and A4+for Short Term Borrowings. There has been no revisions in the Credit Rating obtained by the Company during the year.

15. Subsidiary Company

The Company has no subsidiary and hence provisions for furnishing specific information are not applicable.

16. Certification from Company Secretary in practice

Certificate from a Company Secretary in Practice Makarand M. Joshi & Co. LLP (FCS No. 6667, CP No. 6690), confirming 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 Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority, is annexed and forms part of the Report on Corporate Governance.

17. Recommendation of any committee of the board:

During the year 2020-21, the Board of the Directors has accepted all the recommendations made by the committee by the Board of the Director.

18. Remuneration to Statutory Auditors

M/s. CNK & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 101961W/W-100036) the Company's Statutory Auditor, is responsible for performing an independent audit of the Financial Statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

As required under Regulation 34 read with Part C of the Schedule V of the Listing Regulations, the total fees paid by the Company to the statutory auditor and all entities in the network firm / entity of which the statutory auditor is a part is Rs. 12.25 lakh.

19. Disclosure Under The Sexual Harassment Of Women At Workplace Prevention, Prohibition & Redressal Act, 2013

Your Company has zero tolerance for sexual harassment at its workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made there under for prevention and redressal of complaints of sexual harassment at workplace. The Company also has an Internal Committee comprising of two male and two female members. During the year under review:-

- a) Number of complaints filed during the financial year : NIL
- b) Number of complaints disposed of during the financial year : NIL
- c) Number of complaints pending as on end of the financial year: NIL

20. Though at present the Company does not comply with some of the discretionary requirements under Part E of Schedule II of Listing Regulations, the Company is committed towards complying with Listing Regulations as a whole and will take suitable measures as and when appropriate.

Annexure A

CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER COMPLIANCE CERTIFICATE

Declaration by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) pursuant to Regulation 17(8) of (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, hereby certify that:-

- A. We have reviewed financial statements and the cash flow statement for the financial year ended on 31st March, 2021 and that to the best of their knowledge and belief:
- 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. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended 31st March, 2021 which are fraudulent, illegal or violating 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 they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- 1) significant changes in internal control over financial reporting during the financial year ended 31st March, 2021;
 - 2) significant changes in accounting policies during the financial year ended 31st March, 2021 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.

This certificate is given by the undersigned with best of our knowledge and belief, that on its faith and strength, full reliance is placed by the Audit Committee / Board of Directors of the Company.

For The Ruby Mills Limited

Place : Mumbai
Date : 29th June, 2021

Purav H. Shah
Chief Executive Officer &
Whole Time Director
DIN : 00071248

S. Jayaraman
Chief Financial Officer
PAN: AAOPS8092C

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members,
The Ruby Mills Limited

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to The Ruby Mills Limited having CIN L17120MH1917PLC000447 and having registered office at Ruby House, J. K. Samant Marg, Dadar, Mumbai 400028, Maharashtra, India. (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and 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 based on the disclosures of the Directors, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority for the period ended as on March 31, 2021.

Table A

Sr. No.	Name of the Directors	Director Identification Number	Date of appointment in Company
1.	Rahul Gautam Divan	00001178	30/09/2020
2.	Hiren Manharlal Shah	00071077	30/10/1977
3.	Bharat Manharlal Shah	00071248	28/11/1994
4.	Viraj Manharlal Shah	00071616	28/11/1994
5.	Purav Hiren Shah	00123460	13/12/2017
6.	Shardul Jashwant Thacker	00153001	19/12/1984
7.	Yogen Shivlal Lathia	00299334	29/12/2015
8.	Mehernosh Rusi Currawalla	01089742	28/11/2017
9.	Deepak Rameshchandra Shah	06954206	14/11/2014
10.	Jasvanti Amar Patel	08717159	04/03/2020

For Makarand M. Joshi & Co.
 Practicing Company Secretaries

Kumudini Bhalerao
 Partner
 FCS No. 6667
 CP No. 6690

Place : Mumbai
 Date : 12th August, 2021
 UDIN - F006667C000774874

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of The Ruby Mills Limited

1. We, CNK Associates and LLP have examined the compliance of conditions of Corporate Governance by **The Ruby Mills Limited** ("the Company") for the year ended on 31st March, 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

3. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of 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 purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We conducted our examination of the relevant records of the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI") and 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. The Guidance Note on Reports or Certificates for Special Purposes 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 given to us and there presentations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above - mentioned SEBI Listing Regulations as applicable during the year ended 31st March, 2021.
8. We state that such compliance 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.

Restrictions on use

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of 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 for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For C N K Associates & LLP

Chartered Accountants
Firm Registration No.101961W/W-100036

Himanshu V. Kishnadwala

Partner
Membership No.37391
UDIN: 21037391AAAFA03534

Place: Mumbai
Date: 13th August, 2021

INDEPENDENT AUDITOR'S REPORT

To the members of
THE RUBY MILLS LIMITED

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The Ruby Mills Limited ("the Company"), which comprise the balance sheet as at 31st March, 2021, the statement of Profit and Loss (including Other comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the accounting principles generally accepted in India, of the state of affairs of the Company (financial position) as at 31st March, 2021, the profit and total Comprehensive Income (financial performance), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
1.	Information Technology (IT) Systems and controls	Audit procedures followed by us include:
	<p>The Company uses different IT systems for different functions and processes. These systems are not very user-friendly, are not fully integrated and require manual intervention to determine the final figures for financial reporting.</p> <p>We identified IT system and controls as a KAM since:</p> <ul style="list-style-type: none"> - In planning the audit, we place significant reliance on the IT system and controls which impacts account balances reflected in the Financial statements (FS) of the Company, - Management's remedial plan in form of manual intervention is prone to risk of misstatement on account of complexity of the business functions. 	<ul style="list-style-type: none"> - Assessment of the design and implementation of the Company's control over the different IT system especially those related to financial reporting; - Assessment of management's remedial plan in form of manual control to address our concern; - Testing / walk through of manual control implemented by the management to overcome the weakness in the IT system and determine the final figures for financial reportings; - Extending scope of our substantive audit procedures, wherever manual controls are being used to integrate the various IT systems which affect financial reporting.

<p>2.</p>	<p>Development agreement</p> <p>In an earlier year, the Company entered into Development Agreement (“the DA”) with a Developer whereby the Company granted the development rights to develop approximate 36,000 square meters of constructed area (“the Development Rights”) on 12,204 square meters out of its Freehold Land At Dadar.</p> <p>We identified DA as a KAM since:</p> <ul style="list-style-type: none"> - As per the DA, cost of construction incurred by the Company for the development of property covered under the DA agreement is reimbursed by the Developer. The Company has incurred huge amount of expenses and borrowings for the Construction of the property which has resulted in the significant amount receivable from the Developer; - The amount receivable from the developer represents a major portion of the total assets of the Company; - Recoverability of the said amount depends on obtaining of the various approval from competent authorities by the Company / developer for building constructed as per the said DA. <p>Refer Note No. 13 and 22 to the accompanying financial statements.</p>	<p>Audit procedures followed by us include:</p> <ul style="list-style-type: none"> - Understanding of the arrangement entered for the Development of the property and of the various terms of DA and amendments thereto; - Co-relation of terms of DA with the entries made in the books of account by the Company for accounting of Income and amounts receivable from the developer; - Review of procedures followed / steps taken by the Company / developer for obtaining approval from the competent authorities; - Review of legal opinion / s taken by the Company and decision taken on that basis or management judgements / estimates for outcome of disputes arising on account of DA; - Obtaining of balance confirmation from the developer at each period end / year end; - Assessment of recoverability of outstanding amount from developer based on: <ul style="list-style-type: none"> o valuation report obtained by the Company for the vacant property covered by the DA; and o Sharing arrangement entered between the Company and developer for sharing of gross revenue arising from the property / building covered under DA.
<p>3.</p>	<p>Evaluation of uncertain tax and other litigations</p> <p>The Company has various pending litigations which include litigation on account of Income Tax, Indirect Taxes, real estate and related activities, FEMA etc. the outcome of which is uncertain and requires significant judgement.</p> <p>Refer Note No. 34 and 54(a) to the accompanying financial statements</p>	<p>Audit procedures followed by us include:</p> <ul style="list-style-type: none"> - Obtained from management details of various pending litigations and outstanding demands for the year ended March 31, 2021; - Reading and analysing orders, key correspondence, external legal opinions / consultations by management for key legal disputes; - Discussed with appropriate senior management and evaluating management’s underlying key assumptions in estimating the likely demand/ possible outcome of the various litigations.

Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director’s Report including Annexures to Director’s Report, Corporate Governance Report, but does not include the financial statements and our auditor’s report thereon. The Management Discussion and Analysis, Director’s Report including Annexures to Director’s Report, and Corporate Governance Report is expected to be made available to us after the date of this auditor’s report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
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 other comprehensive income, the Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 financial statements - Refer Note 54(a) to the financial statements;

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no fund have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (1) and (2) contain any material misstatement.
 - d) The Company has not declared or paid any dividend during the year.
3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.: 37391

UDIN: 21037391AAAADR7547

Mumbai: 29th June, 2021

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of The Ruby Mills Limited ("the Company") on the financial statements for the year ended 31st March, 2021]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company, as per a phased programme, undertakes physical verification of all the fixed assets once in three years which, in our opinion, is reasonable having regard to the size of the Company and 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 and the confirmations from the banks provided to us, we report that, the title deeds of immovable properties which are freehold, are held in the name of the Company as at the balance sheet date except the following where the documents are lodged with the relevant bank who have communicated that the same are not traceable at their end.

Particulars	Number of Cases	Gross Block (Lakhs)	Net Block (₹ In Lakhs)
Freehold Land	One	31.80	31.80

- (ii) As per the information and explanations given to us, physical verification of inventories other than stock lying with third parties has been conducted by the management on half yearly basis. In respect of inventory lying with third parties, these have been substantially confirmed by them. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification;
- (iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, and limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraphs 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable;
- (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 Section 186 of the Act, with respect to grant of loans, making investments, providing guarantees and securities, as applicable;
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public within the provisions of Sections 73 to 76 of the Act read with The Companies (Acceptance of Deposits) Rules, 2014 and other relevant provisions of the Act and therefore, the provision of the clause 3(v) of the Order are not applicable to the Company;
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as specified by the Central Government under section 148(1) of the Act in respect of the Company's product and are of the opinion that prima-facie, the prescribed account and records have been made and maintained. We have not, however, made a detailed examination of the same with a view to determining whether they are accurate or complete;
- (vii) (a) According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has been regular in depositing undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Goods and Service tax, duty of Customs, and any other material statutory dues applicable to it with appropriate authorities;

There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Service tax, duty of Customs, and any other material statutory dues applicable to it, were outstanding, as on the last day of the financial year, for a period of more than six months from the date they became payable;

- (b) According to the information and explanation given to us, the dues outstanding with respect to Income-tax, Sales-tax, Service tax, Goods and Service tax, duty of Customs, duty of Excise, Value Added tax have not been deposited on account of any dispute, are as under;

Name of the Statute	Nature of dues	Forum where dispute is pending	Period to which the amount is relates	Amount (In ₹ Lakhs)
The Income Tax Act, 1961	Income Tax and Interest	Commissioner of Income Tax (Appeal)	Assessment Year 2007-08	387.24
Finance Act,1994 (Service Tax)	Service Tax	Principal Commissioner CGST & Excise	Financial Year 2011-12	260.08
The Central Excise Act, 1944	Excise Duty	Assistant Commissioner of Central Excise	Financial Year 1 st April, 1993 to 31 st October, 1993, 2001-01 and 2001-02	9.76
Customs Act, 1962	Custom Duty	Commissioner of Appeals (Customs)	Financial Year 2012-13	16.21

- (viii) According to the information and explanations given to us, as also on the basis of the books of accounts and records examined by us, the Company has not defaulted in the repayment of loans or borrowing to financial institutions and banks. However, the company has opted for a moratorium period for repayment of certain term loans in accordance with circular dated 27th March, 2020 issued by RBI on COVID-19 Regulatory Package. The Company does not have any loans and borrowings from government and has not issued any debentures;
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix) of the Order in respect thereof is not applicable. Money raised by way of term loans during the year have been applied for the purpose for which those were raised;
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no instances of fraud by the Company or on the Company by its officers or employees have been noticed or reported during the year;
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act;
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable;
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the provisions of Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements, as required by the applicable accounting standard;
- (xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable;
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered during the year into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable;

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No.101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.: 37391

UDIN: 21037391AAAADR7547

Mumbai: 29th June, 2021

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of The Ruby Mills Limited on the financial statements for the year ended 31st March, 2021]

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 with reference to financial statements of The Ruby Mills Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control 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 with reference to financial statements includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial

statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, except as mentioned in Emphasis of Matter para below the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2021, based on the internal control 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 ICAI.

Emphasis of Matter

According to the information and explanations given to us and based on our examination of the records, the Company is in the process of integrating and strengthening the controls by way of integrating different IT systems to make the same commensurate with the operations of the company.

Our Opinion is not modified in this matter.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.: 37391

UDIN: 21037391AAAADR7547

Mumbai: 29th June, 2021

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BALANCE SHEET AS AT 31ST MARCH, 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note	As at 31 st March 2021	As at 31 st March 2020
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	4,626.13	5,188.98
(b) Right of use assets	5	68.44	79.47
(c) Capital work-in-progress	6	3,618.91	3,559.08
(d) Investment property	7	3,468.22	3,617.46
(e) Intangible assets	8	5.99	-
(f) Intangible Assets under Development	9	104.01	105.99
(g) Biological assets other than bearer plants	10	8.70	8.70
(h) Financial assets			
(i) Investments	11	0.28	0.28
(ii) Loans	12	9,207.57	9,306.94
(iii) Other financial assets	13	65,445.92	60,623.21
(i) Non current Tax Assets (Net)	14	515.68	310.00
(j) Deferred Tax Assets (Net)	15	-	80.77
(k) Other non-current assets	16	567.04	478.99
Total Non current assets		<u>87,636.91</u>	<u>83,359.87</u>
(2) Current assets			
(a) Inventories	17	3,147.91	4,444.97
(b) Financial Assets			
(i) Investments	18	854.29	1,201.84
(ii) Trade receivables	19	1,549.96	1,327.78
(iii) Cash and cash equivalents	20	1,549.12	74.93
(iv) Bank balances other than (iii) above	21	3,158.55	3,025.28
(v) Other Financial Assets	22	6,105.48	8,985.71
(c) Other current assets	23	826.00	457.59
Total Current Assets		<u>17,191.31</u>	<u>19,518.10</u>
(3) Assets held for sale	24	-	164.40
Total Assets		<u>104,828.22</u>	<u>103,042.37</u>
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	25	836.00	836.00
(b) Other Equity	26	49,096.24	46,474.28
Total Equity		<u>49,932.24</u>	<u>47,310.28</u>
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	27	32,593.40	32,056.01
(ii) Other Financial Liabilities	28	1,499.47	2,262.33
(b) Provisions	29	26.81	34.04
(c) Deferred Tax Liability (Net)	15	0.01	-
(d) Other non-current liabilities	30	599.49	7.84
Total Non Current Liabilities		<u>34,719.18</u>	<u>34,360.22</u>
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	31	5,641.49	5,860.94
(ii) Trade payables	32		
Total outstanding dues of micro enterprises and small enterprises.		80.63	162.47
Total outstanding dues of creditors other than micro enterprises and small enterprises.		1,759.21	1,835.99
(iii) Other financial liabilities	33	2,208.55	2,481.84
(b) Other Current Liabilities	34	10,475.25	10,963.80
(c) Provisions	35	11.68	66.83
Total Current Liabilities		<u>20,176.80</u>	<u>21,371.87</u>
Total Liabilities		<u>54,895.98</u>	<u>55,732.09</u>
Total Equity and Liabilities		<u>104,828.22</u>	<u>1,03,042.37</u>
Notes forming part of Financial Statements	1 to 58		

As per our attached report of even date

C N K & Associates LLP
 Chartered Accountants
 ICAI Firm No: 101961W/W-100036

Himanshu Kishnadwala
 Partner
 Membership No. 37391

 Place : Mumbai
 Dated : 29th June, 2021

For and on behalf of the Board of Director
Hiren M. Shah
 Executive Chairman
 DIN : 00071077

S Jayaraman
 Chief Financial Officer &
 Compliance Officer

Bharat M Shah
 Managing Director
 DIN : 00071248

Purav H. Shah
 Chief Executive Officer &
 Whole time Director
 DIN : 00123460

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

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 st March 2021	Year ended 31 st March 2020
I Revenue from operations	36	12,332.82	18,308.02
II Other income	37	1,018.43	993.43
III Total Income (I + II)		<u>13,351.25</u>	<u>19,301.45</u>
IV EXPENSES			
Cost of materials consumed	38	2,284.49	5,120.26
Changes in inventories of finished goods and work-in-progress	39	1,196.33	(489.53)
Employee benefits expense	40	1,360.25	2,260.75
Finance costs	41	787.20	509.22
Depreciation and amortisation expense	42	840.89	1,201.11
Other expenses	43	3,660.76	6,912.34
Total Expenses (IV)		<u>10,129.92</u>	<u>15,514.15</u>
V Profit before tax (III - IV)		3,221.33	3,787.30
VI Tax Expense	44A		
(1) Current Tax		577.31	1,083.45
(2) Deferred Tax		65.51	(65.68)
(3) Excess/Short provision of tax relating to earlier years		(6.27)	-
Total Tax Expenses		<u>636.55</u>	<u>1,017.77</u>
VII Profit for the Year		<u>2,584.78</u>	<u>2,769.53</u>
VIII Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit plans	44B	52.45	(9.27)
(ii) Income tax related to items that will not be reclassified to profit or loss		(15.27)	2.70
Total other comprehensive income (net of tax)		<u>37.18</u>	<u>(6.57)</u>
IX Total comprehensive income for the Period (VII + VIII)		<u>2,621.96</u>	<u>2,762.96</u>
X Earnings per equity share of 5 each			
Basic and Diluted ()	48	15.46	16.56
Notes forming part of Financial Statements	1 to 58		

As per our attached report of even date

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Himanshu Kishnadwala
Partner
Membership No. 37391

Place : Mumbai
Dated : 29th June, 2021

For and on behalf of the Board of Director

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Executive Chairman
DIN : 00071077

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Managing Director
DIN : 00071248

S Jayaraman
Chief Financial Officer &
Compliance Officer

Purav H. Shah
Chief Executive Officer &
Whole time Director
DIN : 00123460

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Statement of Changes in Equity
A Equity share capital (note 25)

Particulars	Amount
Balance as at 31st March, 2019	836.00
Changes in equity share capital during the year 2019-20	-
Balance as at 31st March, 2020	836.00
Changes in equity share capital during the year 2020-21	-
Balance as at 31st March, 2021	836.00

B Other Equity (note 26)

Particulars	Reserves and surplus			Total
	Securities premium	General reserve	Retained earnings	
Balance as at 1st April, 2018	1,695.20	30,039.35	11,269.74	43,004.29
Profit for the year			1,780.36	1,780.36
Other comprehensive Income (net of tax)			(15.11)	(15.11)
Total comprehensive income	1,695.20	30,039.35	13,034.99	44,769.54
Dividends including tax on dividend		-	(352.17)	(352.17)
Transfer to General Reserve			-	-
Balance as at 31st March, 2019	1,695.20	30,039.35	12,682.82	44,417.36
Profit for the year			2,769.53	2,769.53
Other comprehensive Income "OCI" (net of tax)			(6.57)	(6.57)
Total comprehensive income	1,695.20	30,039.35	15,445.78	47,180.33
Dividends including tax on dividend			(706.05)	(706.05)
Transfer to General Reserve			-	-
Balance as at 31st March, 2020	1,695.20	30,039.35	14,739.73	46,474.28
Profit for the year			2,584.78	2,584.78
Other comprehensive Income "OCI" (net of tax)			37.18	37.18
Total comprehensive income	1,695.20	30,039.35	17,361.69	49,096.24
Dividends including tax on dividend			-	-
Transfer to General Reserve			-	-
Balance as at 31st March, 2021	1,695.20	30,039.35	17,361.69	49,096.24

Notes forming part of Financial Statements - 1 to 58

As per our attached report of even date

C N K & Associates LLP
 Chartered Accountants
 ICAI Firm No: 101961W/W-100036

Himanshu Kishnadwala
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 Chief Executive Officer &
 Whole time Director
 DIN : 00123460

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

(All amounts in ₹ lakhs, unless otherwise stated)

Statement of Cash flow For the year ended	31 st March 2021	31 st March 2020
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	3,221.33	3,787.30
Adjustments for :		
Depreciation and amortisation expenses	840.89	1,201.11
Finance Costs	787.20	509.22
Interest Income	(27.02)	(633.78)
Net Loss / (Gain) on disposal of property, plant and equipment	(612.67)	(2.65)
Provision for Doubtful Debts (reversed)/ written back (Net)	(14.27)	(91.95)
Other Non Cash Adjustments	(192.74)	21.59
Loss on foreign currency transactions and translations (net)	0.71	-
Provision for advances and Subsidies receivable	128.28	56.54
Insurance claims for Property, Plant and Equipment	(130.28)	(225.15)
Fair valuation Gain/ Profit on redemption of current investment	(4.73)	(1.44)
Operating Profit Before Working Capital Changes	3,996.70	4,620.79
Adjustments for:		
(Increase)/ Decrease in Inventories	1,297.04	(730.34)
(Increase)/ Decrease in Trade receivables, loans , other financial assets and Other assets	(2,170.13)	(1,574.39)
Increase/ (Decrease) in Trade Payables, Other financial liabilities, provisions and other liabilities	(608.59)	(100.59)
Cash generated from operations	2,515.02	2,215.47
Taxes Paid (Net of refund)	(761.45)	(648.27)
Net cash generated from operating activities	1,753.57	1,567.19
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Acquisition of property, plant and equipment (PPE) (including Capital work-in-progress and capital advances)	(133.29)	(299.09)
Acquisition of Intangible Assets (Including Intangible Assets under Development)	(7.45)	(105.99)
Advance received against sale of Investment Property/ Expended (Net)	(5.00)	570.44
Proceeds on disposal of Property,plant and equipment/ Refund of Capital Advance	45.57	7.85
Sale of Current Investments	1,500.55	-
Purchase of Current Investments	(1,148.27)	(1,200.40)
Insurance claims received for property, plant and equipment	2.28	76.20
Fixed deposits with banks	(132.90)	(184.53)
Interest Received	26.69	33.14
Net cash from / (used) in Investing activities	148.18	(1,102.38)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Repayment of borrowings	(18,680.76)	(9,723.35)
Proceeds of borrowings	19,156.87	10,389.36
Repayment of Lease Liability	(81.98)	(71.05)
Finance Costs paid	(805.92)	(342.72)
Interest paid on lease liability	(15.77)	(16.22)
Dividend Paid including distribution tax	-	(706.07)
Net cash from / (used) in Financing activities	(427.56)	(470.05)

Statement of Cash flow for the year ended 31st March, 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Increase / (Decreased) in Cash and Cash Equivalents (A+B+C)	1,474.19	(5.24)
Cash and Cash Equivalents at the beginning of the Year	74.93	80.17
Cash and Cash Equivalents at the end of the Year	1,549.12	74.93
Components of Cash and Cash Equivalents :		
Cash on hand	3.90	4.00
Balances with Banks	1,545.22	70.93
	1,549.12	74.93

Notes

- I In Part-A of the Cash Flow Statement, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.
- II "Other Non-Cash items" include amortization of Capital grant, fair valuation / amortisation of security deposits and miscellaneous adjustments not affecting Cash Flow.
- III The Cash Flow Statement has been prepared under indirect method as set out in Indian Accounting Standard (Ind AS) 7, 'Statement of Cash Flows'. This is the Statement of Cash Flows referred to in our report of even date.

As per our attached report of even date

C N K & Associates LLP

 Chartered Accountants
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 Partner
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Place : Mumbai

 Dated : 29th June, 2021

For and on behalf of the Board of Director
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 Whole time Director
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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

1. CORPORATE INFORMATION

The Ruby Mills limited ('RML' or 'the Company') is a public limited company domiciled in India incorporated on 9th January 1917. Registered office of the Company is located at Mumbai. The Company is listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. The Company is an integrated textile mill. The Company has two plants. The spinning and weaving plant is located at Dhamni and the process house at Kharsundi both at Khopoli close to Bombay - Pune Highway. The Company had entered into a Development Agreement ("the DA") to develop part of its vacant mill land at Dadar. In terms of the DA, any cost of construction incurred by the Company for the development of the above is to be reimbursed by the Developer. The consideration for the Grant of the Development Rights is based on the specified percentage of the revenue received by the Developer.

2. BASIS OF COMPLIANCE, BASIS OF PREPARATION, CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Compliance:

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

2.2. Basis for preparation and presentation:

The financial statements have been prepared on accrual basis and in accordance with the historical cost convention unless, otherwise stated;

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities;

All amounts disclosed in the Financial Statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated;

The Financial Statements of the Company for the year ended 31st March, 2021 were approved for issue in accordance with a resolution of the Board of Directors in its meeting held on 29th June, 2021.

2.3. Use of Judgement and Estimates

The preparation of the Financial Statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Financial Statements and the reported amounts of income and expense for the periods presented;

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions;

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected;

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Measurement of Defined Benefit Obligations ;
- Measurement and likelihood of occurrence of Provisions and contingencies;
- Recognition of deferred tax assets;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Lease liabilities and Right of Use Assets;
- Leases – Estimating the incremental borrowing rate -refer note no 2.9; and
- Leases- Determining lease term (as a Lessor)

2.4. Property, plant and equipment

- 2.4.1.** Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any;
- 2.4.2.** The initial cost of an asset comprises its purchase price (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use);
- 2.4.3.** Machinery spares that meet the definition of property, plant and equipment are capitalised;
- 2.4.4.** Property, plant and equipment which are not ready for intended use as on date of Balance Sheet are disclosed as “Capital work - in - progress”;
- 2.4.5.** Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred;
- 2.4.6.** An item of property, plant and equipment and any significant part initially recognised separately as part of property, plant and equipment is derecognised upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised;
- 2.4.7.** Depreciation is provided on a pro-rata basis on the straight line method for plant and machinery and for all other assets on written down value method based on estimated useful life prescribed under Schedule II to the Act;
- 2.4.8.** Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment;
- 2.4.9.** Depreciation on spare parts specific to an item of property, plant and equipment is based on life of the related property, plant and equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment;
- 2.4.10.** Other assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives;
- 2.4.11.** Freehold land is not depreciated;
- 2.4.12.** The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

2.5. Biological Assets

- 2.5.1.** Biological assets i.e. living animals or plants (other than bearer plants which are included in property, plant and equipment) are measured at fair value less cost to sell, with any change therein recognised in profit or loss.

2.6. Intangible Assets

- 2.6.1.** Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably;
- 2.6.2.** Intangible assets are not ready for intended use as on date of Balance Sheet are disclosed as “Intangible assets under development” ;
- 2.6.3.** Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any;
- 2.6.4.** The intangible assets with a finite useful life are amortised using Written Down Value Method over their estimated useful live;
- 2.6.5.** An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses);
- 2.6.6.** The estimated useful life is reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

2.7. Investment Property

- 2.7.1.** Investment property is property (land or a building — or part of a building — or both) held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any;
- 2.7.2.** Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss;
- 2.7.3.** Depreciation on building is provided over its useful life using written down value method. These useful life determined are in line with the useful lives as prescribed in the Schedule II of the Act.

2.8. Non-currents assets held for sale

- 2.8.1.** Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets;
- 2.8.2.** Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell;
- 2.8.3.** Non-current assets classified as held for sale are not depreciated or amortized from the date when they are classified as held for sale.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

2.9. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration. The Company shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

As a Lessee

At the commencement date, company recognises a right-of-use asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. The Lease Payments are discounted using Company's incremental borrowing rate on periodic basis. Subsequently, right of use asset is depreciated over lease term and lease liability is reduced as payments are made and an imputed finance cost on lease liability is recognised in statement of profit and loss using the Company's incremental borrowing rate.

If a lease, at the commencement date, has a lease term of 12 months or less, it is treated as Short term lease. Lease payments associated with short term leases are treated as an expense on systematic basis

As a Lessor

A lessor shall classify each of its leases as either an operating lease or a finance lease.

Finance lease

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Company shall recognise assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

Operating Lease

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Company shall recognise lease payments from operating leases as income on straight line basis over the term of relevant lessee.

2.10. Impairment of Financial and Non-financial Assets

2.10.1. The Impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period;

2.10.2. Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any indication of such impairment exists, the recoverable amount of such assets / cash generating unit is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised;

The recoverable amount is the higher of the fair value less cost to sell and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

2.11. Inventories

2.11.1. Inventories are valued at lower of cost and net realisable value. The cost of inventories, in case of inventories of raw material with specific identification is arrived on first in first out basis and for inventories of other items on weighted average basis;

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

- 2.11.2.** Cost includes all charges incurred in bringing the goods to their present location and condition. Work-in-progress and finished goods include appropriate proportion of overheads;
- 2.11.3.** Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.12. Fair Value measurement

- 2.12.1.** The Company measures certain financial instruments at fair value at each reporting date;
- 2.12.2.** Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities;
- 2.12.3.** 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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk;
- 2.12.4.** The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out;
- 2.12.5.** While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
 - Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
 - Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs);
- 2.12.6.** When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis;
- 2.12.7.** If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction;
- 2.12.8.** The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

2.13. Financial Instruments

2.13.1. Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument;

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset;

Financial assets are subsequently classified as measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans

Trade receivables and loans are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument;

Debt instruments

Debt instruments are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of:

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

Measured at amortised cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss;

Measured at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss;

Measured at fair value through profit or loss

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss;

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL;

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss;

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

2.13.2. Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method;

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss;

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires;

2.13.3. Financial guarantees

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation;

2.13.4. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously;

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

2.14. Revenue Recognition

2.14.1. Sale of goods:

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods;

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch of goods, based on contracts with the customers. Export sales are recognized on the issuance of Bill of Lading / Airway bill by the carrier;

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Contract Balances

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

- 2.14.2. Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue is measured based on the transaction price, which is the consideration, as specified in the contract with the customer. Revenue also excludes taxes collected from customers;
- 2.14.3. Income from sale of scrap is accounted upon transfer of control of promised goods to customers;
- 2.14.4. Lease license fees are recognised on straight line basis over the terms of the lease;
- 2.14.5. Income from export incentives such as duty drawback are recognised on accrual basis;
- 2.14.6. Revenue from the sale of Development rights is recognised in terms of agreement entered into by the Company with the Developer;
- 2.14.7. Interest income is recognized using the effective interest rate (EIR) method;
- 2.14.8. Dividend income on investments is recognised when the right to receive dividend is established;
- 2.14.9. Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection;

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

2.15. Employee Benefits

2.15.1. Short-term employee benefits

Short-term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered;

2.15.2. Post-employment benefits

The Company operates the following post – employment schemes:

- Defined contribution plans such as provident fund and Family pension fund; and
- Defined benefit plans such as gratuity

Defined Contribution Plans:

Obligations for contributions to defined contribution plans such as provident fund are recognised as an expense in the Statement of Profit and Loss as the related service is provided;

Defined Benefit Plans:

The Company's net obligation in respect of defined benefit plans such as gratuity is calculated by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets;

The calculation of defined benefit obligation is performed at each reporting period end by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan;

The current service cost of the defined benefit plan, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The net interest is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This net interest is included in employee benefit expense in the Statement of Profit and Loss;

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income;

2.15.3. Other long-term employee benefits

Liability towards other long term employee benefits - leave encashment are determined on actuarial valuation by qualified actuary by using Projected Unit Credit method;

The current service cost of other long terms employee benefits, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss. Re-measurements are recognised in the Statement of Profit and Loss.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

2.16. Borrowing costs

- 2.16.1.** Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs;
- 2.16.2.** Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss. Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

2.17. Foreign Currency Transactions

- 2.17.1. The financial statements are presented in INR, the functional currency of the Company (i.e. the currency of the primary economic environment in which the Company operates).**

2.17.2. Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition;

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date;

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

2.17.3. Non - Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.18. Government Grants

- 2.18.1.** Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with;
- 2.18.2.** When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed;
- 2.18.3.** Government grants relating to Property, Plant and Equipment are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

2.19. Provisions and Contingent Liabilities

- 2.19.1.** Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation;
- 2.19.2.** The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any;

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

- 2.19.3.** If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost;
- 2.19.4.** Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability;
- 2.19.5.** Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

2.20. Taxes on Income

2.20.1. Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period;

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

2.20.2. Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date;

Deferred tax liabilities are recognised for all taxable temporary differences;

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised;

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered;

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date;

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity;

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

2.21. Segment reporting

- 2.21.1.** The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance
- 2.21.2.** The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

2.22. Earnings per share

Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period;

For the purpose of calculating diluted earnings per share, the 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 effect of all dilutive potential equity shares.

2.23. Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value;

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheque and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

2.24. Cash Flows

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

2.25. Dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3. RECENT PRONOUNCEMENTS

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a 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:

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

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;
- 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.;

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 will not have any significant impact on the financial statements of the company.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

4. Property, plant and equipment (Refer Note 1)

Particulars	Free-hold Land	Freehold Land under development	Buildings	Plant & Machinery (Refer Note 2)	Furniture & Fixtures (Refer Note 2)	Vehicles	Office Equipments	Total
Gross Block								
Balance as at 31st March, 2019	491.02	0.93	3,576.78	5,471.40	12.02	70.45	268.80	9,891.39
Additions / adjustments	-	-	-	74.20	21.25	61.24	11.03	167.72
Disposals / adjustments	-	-	36.07	3.82	-	2.86	-	42.75
Balance as at 31st March, 2020	491.02	0.93	3,540.71	5,541.78	33.28	128.83	279.82	10,016.36
Additions / adjustments	-	-	1.27	156.92	-	-	10.03	168.22
Disposals / adjustments	-	-	-	3.45	-	6.00	116.62	126.07
Balance as at 31st March, 2021	491.02	0.93	3,541.98	5,695.26	33.28	122.83	173.23	10,058.51
Accumulated Depreciation								
Balance as at 31st March, 2019	-	-	869.26	2,882.85	7.08	31.76	72.47	3,863.41
Depreciation for the year	-	-	239.89	685.54	6.42	21.75	12.68	966.28
Ind AS adjustments	-	-	-	-	-	-	-	-
Disposals / adjustments	-	-	0.42	-	-	1.90	-	2.32
Balance as at 31st March, 2020	-	-	1,108.74	3,568.39	13.50	51.61	85.15	4,827.37
Depreciation for the year	-	-	218.03	354.41	4.74	23.42	8.94	609.55
Ind AS adjustments	-	-	-	-	-	-	-	-
Disposals / adjustments	-	-	-	-	-	4.57	-	4.57
Balance as at 31st March, 2021	-	-	1,326.77	3,922.80	18.24	70.46	94.08	5,432.35
Net Block								
Balance as at 31 st March, 2020	491.02	0.93	2,431.97	1,973.39	19.78	77.22	194.68	5,188.98
Balance as at 31st March, 2021	491.02	0.93	2,215.20	1,772.46	15.04	52.36	79.15	4,626.13

Notes:

- 1) Property plant and equipment pledged as securities for borrowing as detailed in note no 27.
- 2) These include assets which are given on operating leases , the details thereof are included in note no.47.B

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

5 Right of use assets

Particulars	Land	Vehicle	Computer Hardware	Total
Gross Block				
Balance as at 01st April, 2019				
On account of adoption of Ind AS 116 (Refer Note 47)	35.78	121.41	-	157.19
Additions / adjustments	-	-	-	-
Disposals / adjustments	-	-	-	-
Balance as at 31st March, 2020	35.78	121.41	-	157.19
Additions / adjustments	-	-	69.62	69.62
Disposals / adjustments	-	-	-	-
Balance as at 31st March, 2021	35.78	121.41	69.62	226.80
Accumulated Depreciation				
Balance as at 31st March, 2019	-	-	-	-
Depreciation for the year	17.89	59.83	-	77.72
Disposals / adjustments	-	-	-	-
Balance as at 31st March, 2020	17.89	59.83	-	77.72
Depreciation for the year	17.89	47.67	15.08	80.64
Disposals / adjustments	-	-	-	-
Balance as at 31st March, 2021	35.78	107.50	15.08	158.36
Net Block				
Balance as at 31 st March, 2020	17.89	61.58	-	79.47
Balance as at 31st March, 2021	-	13.91	54.53	68.44

6. Capital work in progress

Particulars	Amount
31 st March 2020	3,559.08
31st March 2021	3,618.91

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

7. Investment Property

Particulars	Freehold Land	Leasehold Land	Buildings (Refer Note 1)	Total
Gross Block				
Balance as at 31st March, 2019	553.98	-	3,743.05	4,297.03
Additions / adjustments	-	-	-	-
Disposals / adjustments	-	-	-	-
Balance as at 31st March, 2020	553.98	-	3,743.05	4,297.03
Additions / adjustments	-	-	-	-
Disposals / adjustments	-	-	-	-
Balance as at 31st March, 2021	553.98	-	3,743.05	4,297.03
Accumulated Depreciation				
Balance as at 31st March, 2019	-	-	522.47	522.47
Depreciation for the year	-	-	157.11	157.11
Disposals	-	-	-	-
Balance as at 31st March, 2020	-	-	679.57	679.57
Depreciation for the year	-	-	149.24	149.24
Disposals	-	-	-	-
Balance as at 31st March, 2021	-	-	828.81	828.81
Net Block				
Balance as at 31 st March, 2020	553.98	-	3,063.48	3,617.46
Balance as at 31st March, 2021	553.98	-	2,914.24	3,468.22

Notes:

1. These include assets which are given on operating leases, the details thereof are included in note no.47.B

Fair value

Particulars	Freehold Land	Buildings
As at 31 st March, 2020	8,719.54	26,589.02
As at 31st March, 2021	8,979.07	26,589.02

The fair values of the investment property are categorised as level 2 in the fair valuation hierarchy and has been determined by external, independent property valuers/ Ready Reckoner rate as per local government authority.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Information regarding Income and Expenditure of Investment Property

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Rental Income derived from Investment Property	2,918.66	2,960.76
<u>Less:</u> Direct operating expenses (including repairs and maintenance) generating rental income	199.15	263.82
Direct operating expenses (including repairs and maintenance) not generating rental income	-	-
Income arising from investment property before depreciation	2,719.51	2,696.94
<u>Less:</u> Depreciation	149.24	157.11
Income from Investment property (Net)	2,570.27	2,539.83

8. Intangible Assets

Particulars	Computer Hardware
Gross Block	
Balance as at 01st April, 2019	
Additions / adjustments	-
Disposals / adjustments	-
Balance as at 31st March, 2019	-
Additions / adjustments	-
Disposals / adjustments	-
Balance as at 31st March, 2020	-
Additions / adjustments	7.45
Disposals / adjustments	-
Balance as at 31st March, 2021	7.45
Accumulated Depreciation	
Balance as at 31st March, 2019	-
Depreciation for the year	-
Ind AS adjustments	-
Disposals / adjustments	-
Balance as at 31st March, 2020	-
Depreciation for the year	1.46
Ind AS adjustments	-
Disposals / adjustments	-
Balance as at 31st March, 2021	1.46
Net Block	
Balance as at 31 st March, 2020	-
Balance as at 31st March, 2021	5.99

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

9 Intangible Assets under Development

Particulars	ERP Software under Development
Balance as at 31st March, 2019	-
Additions / adjustments	105.99
Disposals / adjustments	-
Balance as at 31st March, 2020	105.99
Additions / adjustments	10.00
Disposals / adjustments	11.98
Balance as at 31st March, 2021	104.01

10. Biological assets other than bearer plants

Particulars	Live stock
Gross Block	
Balance as at 31st March, 2019	8.70
Additions / adjustments	-
Disposals / adjustments	-
Balance as at 31st March, 2020	8.70
Additions / adjustments	-
Disposals / adjustments	-
Balance as at 31st March, 2021	8.70
Net Block	
Balance as at 31 st March, 2020	8.70
Balance as at 31st March, 2021	8.70

Fair values of the Biological assets are categorised as level 3 in the fair valuation hierarchy and the same has been determined by the management after considering the relevant factors.

11. Investments

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Unquoted		
Investment in equity instrument (fully paid up)		
At Fair value through other comprehensive income (FVTOCI)		
- 90 (31 st March, 2020: 90) shares of The New Piece Goods Bazar Company Limited	0.28	0.28
Total	0.28	0.28
Aggregate amount of Unquoted security	0.28	0.28

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

12. Loans*

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Security Deposits	109.11	110.36
Loan - Inter Corporate (refer Note 49.C.c)	9,495.58	9,495.58
Total	9,604.69	9,605.94

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Loans considered good - Secured	-	-
Loans considered good - Unsecured	109.11	110.36
Loans which have significant increased In credit risk	9,495.58	9,495.58
Loans - credit impaired	-	-
Total	9,604.69	9,605.94
Less: Loss allowance	(397.12)	(299.00)
Total	9,207.57	9,306.94

* There is no amount due from directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member at anytime during the reporting period.

13. Other financial assets - Non current (At Amortised Cost)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Due from a developer (Refere Note 13.1)	65,125.41	60,302.61
Fixed deposit with bank with remaining maturity more than 12 month		
Held as Margin money	320.51	320.60
Total	65,445.92	60,623.21

- 13.1** a. In an earlier year, the Company entered into a Development Agreement (“the DA”) with a Developer whereby the Company granted the development rights to develop approximately 36,000 square metres of constructed area (“the Development Rights”) on 12,204 square metres out of its Freehold Land at Dadar (“the said property”);
- b. In terms of the DA and further agreements / understandings between the Company and the Developer, any cost of construction incurred by the Company and such further costs (including interest on borrowings for the said construction) that may be incurred by the Company for the development of the above referred to area is to be reimbursed by the Developer. Accordingly, the cost incurred by the Company upto 31st March, 2021 for the construction (net of amounts received from the developer in terms of the DA) amounting to ₹ 65,125.41 lakhs (31st March, 2020 ₹ 60,302.61 lakhs) is shown as “Due from developer” under Note 13 and ₹ 3,084.21 lakhs (31st March, 2020 ₹ 5,984.62 lakhs) is shown as “Due from developer” under Note 22;

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

- c. The Company has subsequently received from the Government of Maharashtra, the approval for the development of additional constructed area of approximately 5,000 square metres over and above the area covered under the DA ; the Developer and the Company have agreed that such additional area is to be owned by the Company. The related cost of such area to be owned by the Company is mutually agreed upon with the Developer on an appropriate basis. The Company has also carried forward the amount of ₹. 3,073.96 lakhs (31st March, 2020 ₹. 2,996.88 lakhs) in Capital Work-in-progress as on 31st March, 2021. The said cost is to be adjusted / increased when the Developer completes the construction of the total area including the construction of the common areas;
- d. The proportionate carrying cost of 12,204 square meters of land is ₹.0.93 lakhs as on 31st March, 2021 (31st March, 2020 ₹. 0.93 lakhs), in respect of which the Development Rights are granted, is included under “Freehold Land (under development)” under “Property,plant and equipments” in Note 4;
- e. Further, the consideration for the Grant of the Development Rights is based on the specified percentage of the revenue received by the Developer (in terms of the DA in force), irrespective of the completion of construction / handing over the possession of the said constructed area to the Purchasers / Licensees and reflected as “Grant of Development Rights” in the Statement of Profit and Loss. The DA does not contemplate a transfer or an intention to transfer the ownership or possession of the said property at present and the same continues to remain with the Company.

14 Income tax assets (Net)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Taxes paid in advance - (net of provisions for tax)	515.68	310.00
Total	515.68	310.00

While making the provision for Current tax, the company has relied on the opinion of an expert for the tax treatment of gains earned for the Grant of development rights and availability of certain tax benefits in respect of the capital expenditure incurred on shifting of the industrial undertaking, as per the provision of the Income Tax Act, 1961.

15 Deferred tax assets and liabilities

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Deferred tax assets	372.80	164.81
Deferred tax liabilities	(372.81)	(84.03)
Net Deferred Tax Assets / (Liabilities)	(0.01)	80.77

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

15.1 Movement in deferred tax balances

Particulars	Net balance as at 1 st April, 2020	Recognised in profit or loss	Recognised in OCI	As at 31 st March, 2021		
				Net Balance	Deferred tax asset	Deferred tax liability
Deferred tax assets / (liabilities)						
Property, plant and equipment, Capital work-in-progress and Asset held for sale	(78.28)	(46.48)		(124.76)	-	(124.76)
Creation of deferred tax assets on account of Ind AS 116 'Leases'	1.94	(0.39)		1.55	1.55	-
Loans	87.07	28.84		115.91	115.91	-
Inventories	2.62	0.00		2.62	2.62	-
Investments	(0.42)	(0.36)		(0.78)	-	(0.78)
Trade and other receivables	54.39	(43.19)		11.20	11.20	-
Loans and borrowings	(5.33)	(241.93)		(247.26)	-	(247.26)
Employee benefits	15.95	(17.60)	15.27	13.62	13.62	-
Deferred income	2.83	225.06		227.89	227.89	-
	80.77	(96.06)	15.27	(0.01)	372.80	(372.81)
Unused tax assets (MAT credit entitlement)	-	-	-	-	-	-
Less : Utilised during the year	-	-	-	-	-	-
Net deferred tax assets/(Liabilities)	80.77	(96.06)	15.27	(0.01)	372.80	(372.81)

Movement in deferred tax balance

Particulars	Net balance as at 1 st April, 2019	Recognised in profit or loss	Recognised in OCI	As at 31 st March, 2020		
				Net Balance	Deferred tax asset	Deferred tax liability
Deferred tax assets / (liabilities)						
Property, Plant and Equipment, Capital work-in-progress and Asset held for sale	(115.64)	37.36	-	(78.28)	-	(78.28)
Creation of deferred tax assets on account of Ind AS 116 'Leases'	-	1.94	-	1.94	1.94	-
Loans	72.80	14.27	-	87.07	87.07	-
Inventories	2.62	-	-	2.62	2.62	-
Investments	-	(0.42)	-	(0.42)	-	(0.42)
Trade and other receivable	47.51	6.88	-	54.39	54.39	-
Loans and borrowing	(17.87)	12.54	-	(5.33)	-	(5.33)
Employee benefits	13.65	5.00	(2.70)	15.95	15.95	-
Deferred income	9.32	(6.49)	-	2.83	2.83	-
	12.39	71.08	(2.70)	80.77	164.81	(84.03)
Unused tax assets (MAT credit entitlement)	350.95	-	-	193.42	193.42	-
Less : Utilised during the year	(157.53)	-	-	(193.42)	(193.42)	-
Net deferred tax assets/(Liabilities)	205.81	71.08	(2.70)	80.77	164.81	(84.03)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

16 Other non current assets

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Unsecured, considered good		
Deposits	12.59	12.89
Capital advances	449.50	416.92
Advances recoverable	15.68	25.45
Advance to gratuity trust (Refer note 45)	89.27	23.73
Total	567.04	478.99

17 Inventories

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Raw Materials	392.70	410.68
Work-in-Progress	2,209.26	2840.32
Finished Goods	346.22	912.29
Fuel	14.54	51.86
Stores and Spares	178.07	223.50
Others	7.12	6.32
Total	3,147.91	4,444.97

17.1 For accounting policy on inventories Refer note 2.11;

17.2 Inventories pledged as securities for borrowings - Refer note 27 and 31;

17.3 The cost of inventories recognised as an expense includes ₹ 13.06 Lakhs (March 31, 2020 ₹ 22.83 Lakhs) in respect of adjustment of inventories to net realisable value/slow moving.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

18 Investment

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Unquoted		
Investment in equity instrument (fully paid up)		
At Fair value through profit and loss (FVTPL)		
4 shares of face value a 10 of Baroda Rayon Corporation Limited (31 st March, 2020: Nil shares)#	0.00	0.00
Investment in Mutual Fund (fully paid up)		
At Fair value through profit and loss (FVTPL)		
214.457 Units of Kotak Banking and PSU Debt Fund - Growth (Regular plan) (31 st March, 2020: 214.457 Units)	0.11	0.10
Units of Kotak Overnight Fund - Growth (31 st March, 2020: 23,485.737 Units)	-	250.17
4.797 Units of Mirae Asset Cash Management Fund Regular Growth Plan (31 st March, 2020: 4.797 Units)"	0.10	0.10
3.837 Units of Nippon India Low Duration Fund - Growth Plan Growth Option (31 st March, 2020: 3.837 Units)	0.11	0.11
Units of Nippon India Overnight Fund - Growth Plan (31 st March, 2020: 8,88,721.954 Units)"	-	951.37
30.457 Units of Aditya Birla Sun life Liquid Fund-Growth- Regular Plan (fomerly known as Aditya Birla Sun Life Cash Plus (31 st March, 2020: Nil Units)	0.10	-
609.722 Units of Franklin India Banking and PSU Debt Fund- Growth (31 st March, 2020: Nil Units)	0.11	-
10,005.560 Units of HDFC Liquid Fund - Regular Plan - Growth (31 st March, 2020: Nil Units)	401.99	-
1,49,078.302 Units of ICICI Prudential Liquid Fund - Growth (31 st March, 2020: Nil Units)	451.77	-
Total	854.29	1,201.84
Aggregate value of quoted investments	-	-
Aggregate value of unquoted investments	854.29	1,201.84
Aggregate amount of impairment in the value of investment	-	-

Amount less than a 1 lakh i:e a 40.00

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

19 Trade receivables

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade receivable considered good - Secured	-	-
Trade receivable considered good - Unsecured	1,578.04	1,352.56
Trade receivable which have significant increase in credit risk	0.91	0.91
Trade Receivables Credit impaired	-	-
	1,578.95	1,353.47
less: Loss allowances	(28.99)	(25.69)
Total	1,549.96	1,327.78

19.1 The credit period for trade receivable for textile related is 21 days and for garment related ranges from 60 days to 120 days;

19.2 Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality. Credit limits scoring attributed to customers are reviewed periodically by the Management;

19.3 No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Trade or other receivables are also not due from firms or private companies respectively in which any director is a partner, a director or a member;

19.4 Security details refer note no. 27 and 31;

19.5 Details for the trade receivables whose credit risk has been assessed individually

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade receivables on which credit risk assessed on Individual basis	0.91	0.91
Less: Loss allowance on above	(0.91)	(0.91)
Total	-	-

19.6 Movement in the expected credit loss allowance

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	24.78	18.92
Add: provision during the year	3.30	5.86
Less: Reversal during the year	-	-
Balance at the end of the year	28.08	24.78

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

20 Cash and cash equivalents

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Cash and Cash Equivalents		
Balance with Banks	1,545.22	70.93
Cash on hand	3.90	4.00
Total	1,549.12	74.93

21 Bank balances other than cash and cash equivalents

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Balances with Banks		
Unpaid dividend (Earmarked balances with banks)	4.56	4.19
Other Bank Balances		
Fixed deposits with banks with remaining maturity of more than three but less than twelve months		
Held as Margin money	267.85	254.94
Held under the contract	2,886.14	2,766.15
	3,153.99	3,021.09
Total	3,158.55	3,025.28

22 Other financial assets - Current

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Due from developer (Refer note 13.1)	3,084.21	5,984.62
Interest receivable on security / fixed deposits	5.09	4.76
Capital subsidy receivable under TUFS*	28.00	29.17
Interest subsidy receivable under TUFS*	392.65	409.19
Foreign exchange subsidy receivable*	295.53	307.97
Deposit with Schedule Bank (Refer note 34.1)	2,250.00	2,250.00
Receivable against sale of Capital Assets	50.00	-
	6,105.48	8,985.71

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Subsidies Receivable*

Particulars	As at 31st March, 2021	As at 31st March, 2020
Considered good - Secured [#]	753.87	753.87
Considered good - Unsecured	-	-
Have significant increased In credit risk	-	-
Credit impaired	-	-
Total	753.87	753.87
Less : Loss Allowances	(37.69)	(7.54)
Total	716.18	746.33

[#] The amounts are receivable from the government authorities on completion of formalities.

23 Other current assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advances other than capital advances		
Advances to Suppliers	402.88	230.23
Insurance Claim receivable	278.03	150.03
Others - current assets	145.09	77.33
Total	826.00	457.59

24 Assest held for sale

Particulars	As at 31st March, 2021	As at 31st March, 2020
Assets held for disposal	-	164.40
Total	-	164.40

The company during the year concluded sale of their plot at Ankleshwar. Due to Covid-19 pandemic, the Company received the required sale documents only in March 2021, and the same is recognised accordingly in the Statement of Profit and Loss.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

25 Equity Share Capital

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Authorised :		
2,00,00,000 (31 st March, 2020: 2,00,00,000) Equity shares of ₹ 5 par value	1,000.00	1,000.00
	1,000.00	1,000.00
Issued, Subscribed and Paid up :		
1,67,20,000 (31 st March, 2020: 1,67,20,000) Equity Shares of ₹ 5 par value fully paid	836.00	836.00
Total	836.00	836.00

25.1 Reconciliation of number of shares outstanding at the beginning and end of the year:

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	Number of shares	Amount	Number of shares	Amount
Equity Shares:				
Balance as at the beginning of the year	1,67,20,000	836.00	1,67,20,000	836.00
Changes during the year	-	-	-	-
Balance as at the end of the year	1,67,20,000	836.00	1,67,20,000	836.00

25.2 Rights, preferences and restrictions attached to shares

- The Company has only one class of shares referred to as equity shares having par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- The Company declares and pays dividend in Indian Rupees. The final dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

25.3 Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	Number of shares	% Held	Number of shares	% Held
Manubhai and Sons Investment Company Private Limited	23,88,900	14.29	23,88,900	14.29
Hiren Brothers Investment Company Private Limited	23,88,900	14.29	23,88,900	14.29
M C Shah and Sons Investment Company Private Limited	23,88,340	14.28	23,88,340	14.28
Smt Aruna Manharlal Shah	13,27,720	7.94	13,27,720	7.94

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

25.4 Shares allotted as fully paid up by way of Bonus Shares during the financial year 2015-16 :

Particulars	Amount
83,60,000 Equity Shares allotted as fully paid up bonus Shares in the ratio of 1:1 by capitalisation of following reserves:	
- Capital Reserve	29.81
- Securities Premium	388.19
	418.00

26. Other equity

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Securities Premium	1,695.20	1,695.20
General Reserve	30,039.35	30,039.35
Retained Earning	17,361.69	14,739.73
Total	49,096.24	46,474.28

Movement in other equity

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Securities Premium		
Balance at the beginning of the year	1,695.20	1,695.20
Balance at the end of the year	1,695.20	1,695.20
General Reserve		
Balance at the beginning of the year	30,039.35	30,039.35
Balance at the end of the year	30,039.35	30,039.35
Retained Earnings		
Balance at the beginning of the year	14,739.73	12,682.82
Add: Profit for the year as per Statement of Profit and Loss	2,584.78	2,769.53
Less: Remeasurement of defined employee benefit plans	37.18	(6.57)
Less: Final dividend for F.Y. 2018-19: ₹ 1.75 per share (F.Y. 2017-18: ₹ 1.75 per share)	-	(292.60)
Less: Interim dividend for F.Y. 2019-20: ₹ 1.75 per share	-	(292.60)
Less: Corporate dividend tax on final dividend of previous year and interim dividend of current year	-	(120.85)
Balance at the end of the year	17,361.69	14,739.73
Total other equity	49,096.24	46,474.28

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

26.1 Nature and Purpose of reserves

i Securities Premium Reserve

Securities premium is used to record the premium on issue of shares. These reserve is utilised in accordance with the provisions of the Act.

ii General Reserve

The general reserve represents amounts appropriated out of retained earnings and are available for distribution to shareholders.

iii Retained Earnings

Retained Earnings represents surplus / accumulated earnings of the company and are available for distribution to shareholders.

27. Borrowings - Non - current

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Secured - at amortised cost		
Term Loans		
- From Banks	4,034.85	2,392.59
- From other parties	18,913.55	19,918.42
Unsecured - at amortised cost		
Loan from related parties	5,299.57	5,299.57
Inter corporate deposits		
- From Related parties	3,445.43	3,445.43
- From Others	900.00	1,000.00
Total	32,593.40	32,056.01

Sr. No	Nature of Security	Rate of Interest	As at 31 st March, 2021	As at 31 st March, 2020
I	Term Loan From Banks:			
i.	Term Loan from IDBI Bank of ₹ 1,875.00 lakhs for TUFs repayable in 98 equal monthly instalments commencing from May 2012 is secured by:	13.75 % - 13.90%	-	57.17
a	First charge on the machinery acquired out of this Term Loan.			
b	First charge on pari passu basis on the Fixed Assets of the Company situated at Dhamni and Kharsundi.			
c	All pieces and parcels of land measuring 1,04,791 sq mt at Village Kharsundi, taluka Khalapur, District Raigad in Maharashtra			
d	All pieces and parcels of free hold land measuring 14 Hectres 57 Acres at village Dhamni, taluka Khalapur, District Raigad in Maharashtra.			
e	Personal guarantee of two promoter directors of the Company.			

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

ii.	Term Loan From Other Parties:-			
i	Loan from Daimler Financial Services India Private Limited of ₹ 23.74 lakhs is repayable in 36 equal monthly instalment commencing from 20 th April, 2018, secured against hypothecation of specified vehicle in the relevant agreement.	10.66%	0.47	9.16
ii.	LRD Loan from HDFC Limited of ₹ 25,000.00 lakhs sanctioned and ₹ 23,000.00 lakhs availed is repayable in 144 monthly instalments to be commenced from January , 2017 secured by:	9.25% to 10.75%	19,835.47	20,703.64
a	First exclusive charge through registered mortgage on the leased premises of 1,82,348 sq.ft. with respective lessee of the 4th, 7th, 9th, 18th Floors, North East Wing and entire 14th to 16th Floors aggregating to 1,82,348 sq. ft. area of the building “The Ruby” at 29 Senapati Bapat Marg, Dadar (W),Mumbai 400028, Maharashtra - Refer Note 12.1 (e)			
b	Assignment of Receivables from the Leave & License of above mentioned commercial property through an Escrow account.			
c	Personal guarantee of two promoter directors of the Company.			
d	Corporate Guarantee of the Developer			
iii	LRD DLOD Loan from Indusind Bank Limited of ₹ 3,000.00 lakhs sanctioned and ₹ 3,000.00 lakhs availed under Loan Against Property commercial is repayable in 144 monthly instalments to be commenced from January, 2019 secured by:	6.20% to 10.05%	2,605.90	2,596.06
a	Collateral exclusive charge through registered mortgage on commercial property : on 6 th floor, south wing, along with 9 car parking at building known as “The Ruby”, 29 Senapati Bapat Marg, Dadar (W), Mumbai 400028, Maharashtra			
b	Assignment of Receivables from the Leave & License of above mentioned commercial property through an Escrow account.			
c	Personal guarantee of two promoter directors of the Company.			
d	Corporate Guarantee of the Developer			
iv	LRD DLOD Loan from Indusind Bank Limited of ₹ 1,558.00 lakhs sanctioned and ₹ 1,558.00 lakhs availed under Loan Against Property commercial is repayable in 156 monthly instalments to be commenced from June, 2019 secured by:	9.40% to 10.00%	1,468.25	-
a	Collateral Exclusive charge through registered mortgage on commercial property : on 5th floor, North East wing, along with 5 car parking at building known as “The Ruby”, 29 Senapati Bapat Marg, Dadar (W),Mumbai 400028, Maharashtra			
b	Assignment of Receivables from the Leave & License of above mentioned commercial property through an Escrow account.			
c	Personal guarantee of two promoter directors of the Company.			
d	Corporate Guarantee of the Developer.			

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

v	WCDL Loan from Bank of India of ₹ 62.50 lakhs sanctioned and ₹ 62.50 lakhs availed as demand loan under “COVID Emergency Support Scheme 2020 CESS - 2020, repayable in 18 monthly structured instalments after initial principal moratorium of six months commencing from May 2021.	7.60%	62.50	-
a	Primary secure by extension of charge over current assets viz stocks and book debts of the company			
b	Collateral by way of extension of charge on existing collateral security			
c	Personal guarantee of two promoter directors of the Company.			
vi	WCTL Loan from Bank of India of ₹ 189.00 lakhs sanctioned and ₹ 189.00 lakhs availed as working capital term loan under “Guaranteed Emergency Credit Line, GECL, repayable in 36 monthly structured instalments after initial principal moratorium of twelve months commencing from November 2021.	7.50%	189.00	-
a	Primary secure by extension of charge on second paripassu basis over current assets vis stock and book debts of the company.			
b	Collateral by way of extension of charge on second paripassu basis over existing collateral security			
c	100% guarantee cover of additional limit under “Emergency Credit line guarantee scheme” (ECLGS) of NCGTC is to be obtained.			
	Total of (I)+(II)		24,161.59	23,366.02
	Less: Current maturities of long term debt		1,213.19	1,055.02
			22,948.40	22,311.01

III.	Terms of Repayment of unsecured borrowings			
	Loans and advances from Related Parties	10%-12%	5,299.57	5,299.57
	Inter corporate deposits	8% -13%		
	Terms of Repayment:			
	Long term loan from related as well as unrelated parties are repayable after 31 st March, 2022 and loan which are short term in nature are repayable on demand.			
	- From Related parties		3,445.43	3,445.43
	- From Others		900.00	1,000.00

Rate of interest in case of TUFF loans is without considering interest subsidy under TUFF scheme

28 Other financial liabilities - Non Current

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade and Security Deposits	1,459.36	2,246.60
Lease liabilities	40.11	15.73
Total	1,499.47	2,262.33

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

29 Provisions

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Provision for Employee Benefits	26.81	34.04
- for Leave encashment		
	26.81	34.04
Total		

30 Other non-current liabilities

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Deferred income		
Deferred Government Grants	7.05	7.84
Advance from Customer	592.44	-
Total	599.49	7.84

31 Borrowings - Current

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Loans repayable on demand		
Secured		
From banks		
- Cash credit and overdraft facilities (refer note 31.1.i)	1,332.34	1,025.84
- Stock pledge loan (refer note 31.1.ii)	-	186.78
Unsecured		
Loan from related parties	2,633.70	3,199.50
Inter corporate deposits		
- From Related parties	1,436.72	1,198.52
- From Others	238.73	250.30
Total	5,641.49	5,860.94

31.1 Cash Credit and Overdraft Facilities are secured as under :

- i. Bank of India - ₹ 331.53 lakhs (31st March, 2020 ₹ 87.01 lakhs)
 - State Bank of India - ₹ 929.43 lakhs (31st March, 2020 ₹ 936.26 lakhs)
 - Bank of Baroda - ₹ 71.38 lakhs (31st March, 2020 ₹ 2.57 lakhs)
- Secured against
- a. First pari passu charge on entire Current Assets, both present and future, of the Company.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

- b. Second pari passu charge on Land and Building and Plant and Machinery on Company's Assets at Dhamini and Kharsundi.
- c. Personal guarantee of two promoter directors of the Company.
- ii. Short term Loan from IndusInd Bank of ₹ 500.00 lakhs.
wed and ₹ NIL (31st March, 2020 ₹ 186.78 lakhs) availed against Pledge of Cotton bales is repayable after 9 month secured by :
 - a. Primary secured by the way of pledge of Stock as per the warehouse receipt from the borrower
 - b. Personal guarantee of two promoter directors of the Company.

32 Trade payables

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Total outstanding dues of micro enterprises and small enterprises.	80.63	162.46
Total outstanding dues of creditors other than micro enterprises and small enterprises.	1,759.21	1,835.99
Total	1,839.84	1,998.45

32.1 Trade payables are non - interest bearing and are normally settled within 45 - 60 days. Trade payables to MSME are settled within 45 days except in case of quality related issue.

32.2 Micro and Small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with Company and the required disclosure are given below;

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
a. Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act		
Principal	80.63	162.46
Interest	8.36	5.00
b. The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-
d. The amount of interest accrued and remaining unpaid at the end of each accounting year	8.36	5.00
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	8.36	5.00

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

33. Other financial liabilities

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
<u>Current maturities of Long-term debts (Refer Note 27)</u>		
Secured - at amortised cost		
Term Loans		
- From Banks - Under Textile upgradation fund scheme (TUFS)	-	57.17
- From Banks - other than above	290.79	203.47
- From other parties	922.40	794.38
Lease Liability	33.66	70.40
Interest accrued on borrowings	582.69	1,120.30
Unclaimed dividend*	4.55	4.18
Trade and security deposits.	2.50	2.50
Creditors for Capital Expenses	18.22	10.63
Other liabilities	353.74	218.81
Total	2,208.55	2,481.84

33.1 *All amounts required to be transferred to the Investor Education and Protection Fund by the Company have been transferred within the time prescribed for the same.

33.2 Other liability include creditors for expenses and others

34 Other current liabilities

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Advances from customers	232.45	16.80
Statutory liabilities	140.46	158.63
Deferred Income		
Deferred Government Grant	0.79	1.87
- Advance Rent		
Advance against Sale of Property (Refer Note below)	10,100.00	10,786.50
Others	1.55	-
Total	10,475.25	10,963.80

34.1 "A Sum of ₹ 10,100.00 lakhs is Advance against Sale of Property directly from a prospective buyer for a proposed Sale of premises on Freehold Land under "Buildings". Out of the total consideration agreed, a very substantial balance is yet receivable. Meanwhile, certain disputes and differences have arisen between the prospective buyer and their bankers on account of which the Company is indirectly affected. In the absence of payment of the balance consideration and inter alia with the accounts of the prospective buyer becoming a NPA with its Bankers and the said advance becoming the subject matter of legal proceedings between the prospective buyer and their Bankers, including proceedings before the Debts Recovery Tribunal and also criminal proceedings. In the said recovery proceedings between the prospective buyer and its Bankers, the Company has unnecessarily been involved. As advised, the Company has in the legal proceedings placed the correct facts in the correct perspective and have also sought for being deleted as parties therein. The said Application are pending;

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

The bank had filed a criminal complaint against their borrower however the Company's Director has also been unnecessarily dragged into the matter. In spite of there being no legal case for the bank to demand the amount from the Company. The Company has made a voluntary without prejudice offer to pay the amount of ₹ 10,100 lakhs received as an advance from the prospective buyer, subject to the bank absolving the company from all civil and criminal proceedings and render us harmless, and that the bank to take action to protect the company against all future claims. In this connection the company to show its bonafides has deposited an amount of ₹ 2,250 Lakhs in the Bank's No Lien account which if terms are not accepted by the bank, will be returned to the Company. The amount of ₹ 2,250.00 lakhs kept in 'No Lien account' is shown under note 22. The discussion on draft consent terms are at final stage."

35 Provisions

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Provision for Employee Benefits (Refer note 45)		
- for Gratuity	-	51.63
- for Leave encashment	11.68	15.20
Total	11.68	66.83

36. Revenue from operations

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Revenue from contracts with customers (refer note 52)		
Sale of Products	9,351.59	15,266.01
Sale of services	-	-
Other Operating Revenues		
Sale of Scrap	8.27	16.50
Total revenue from contracts with customers	9,359.86	15,282.51
License Fees and Other Amenities	2,918.66	2,960.76
Grant of development rights (Refer note 13.1)	54.30	64.75
Total	2,972.96	3,025.51
Total Revenue from Operations	12,332.82	18,308.02

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

37 Other Income

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Interest Inome from financial assets at amortised cost		
On bank deposits	14.56	17.03
On loans and advances	3.69	600.00
Other Interest	12.46	16.75
Dividend income		
From non-current investment at FVOCI	-	0.18
Other non-operating Income (Net of expenses directly attributable to such income)		
Sundry credit balances and excess provisions written back	22.50	98.72
Sales tax refund	-	4.36
Insurance claims	130.28	225.15
Miscellaneous income	1.87	25.55
Duty Drawback on exports	19.99	1.60
Interest on Income tax refund	195.68	-
Other gains or losses		
Net gains on disposal of property, plant and equipment	612.67	2.65
Fair valuation/Gain on investments in mutual funds	4.73	1.44
Total	1,018.43	993.43

Interest income on Fixed deposits created for the development of property directly charged to due from developer and based on debit note raised by developer are charged to CWIP (Building under construction)	144.59	191.44
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38. Cost of materials consumed

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Raw materials		
Opening stock	410.68	254.78
Add : Purchases	2,390.10	5,276.16
Less : Sale of raw material	(123.59)	-
Less: Closing stock	(392.70)	(410.68)
Total	2,284.49	5,120.26

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

39 Changes in inventories of finished goods and work-in-progress

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Inventories at the beginning of the year		
Finished Goods	912.29	366.77
Work in Progress	2,840.32	2,895.71
Others	6.32	6.92
(a)	3,758.93	3,269.40
Inventories at the end of the year		
Finished goods	346.22	912.29
Work in Progress	2,209.26	2,840.32
Others	7.12	6.32
(b)	2,562.60	3,758.93
Net (Increase)/Decrease in Inventories	(a)-(b)	1,196.33
		(489.53)

40 Employee benefits expense

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Salaries, wages and benefits	1,248.12	2,092.27
Contribution to provident and other funds	81.93	135.86
Staff welfare expenses	30.20	32.62
Total	1,360.25	2,260.75

41 Finance Costs

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Interest expense		
- Cash credit facilities / buyers' credit	140.71	140.80
- Term Loans - Under TUFS	4.24	23.34
- Term Loans - others	8.16	-
- Lease Liability	15.77	16.22
- Others	574.83	274.88
Other borrowing costs	43.49	53.98
Total	787.20	509.22

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

41.1

Finance cost on borrowing taken for the development of property directly charged to due from developer and based on debit note raised by developer are charged to CWIP (Building under construction)	3,199.04	3,630.52
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42. Depreciation and amortisation expense

Particulars	Year Ended 31 st March, 2021	Year ended 31 st March, 2020
Depreciation on Property, Plant and Equipment and Investment property (refer note 4 and 8)	760.25	1,123.39
Depreciation on Right of use assets (refer note 5)	80.64	77.72
Total	840.89	1,201.11

43. Other expenses

Particulars	Year Ended 31 st March, 2021	Year ended 31 st March, 2020
Consumption of Stores and spares	852.20	1,784.89
Power and fuel	1,150.31	2,747.71
Brokerage and commission	251.60	416.11
Weaving and processing charges	151.74	150.73
Rent	8.60	11.20
Repairs and maintenance		
Building	143.96	315.01
Machinery	89.29	99.51
Others	42.82	62.22
Insurance	84.71	56.20
Rates and taxes	155.37	134.09
Director sitting fees	17.40	8.40
Loss on foreign currency transactions and translations (net)	0.71	1.14
Auditors' Remuneration		
Audit fees	8.00	7.50
Other Services	5.60	4.66
Corporate Social Responsibility expenditure (Refer note 53)	75.68	70.40
Labour contractor charges	124.45	342.62
Freight and forwarding	63.22	108.52
Travelling and conveyance	73.35	165.84
Legal and professional fees	121.50	157.93
Donations	0.90	6.70
Balances not recoverable written off	4.93	26.30
Loss by fire	3.45	-
Provision for doubtful debts	3.30	6.77
Loss Allowance on loan and others	128.28	56.54
Miscellaneous Expenses	99.39	171.35
Total	3,660.76	6,912.34

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

44 Tax Expense and deferred tax liabilities (Net)
A Amounts recognised in profit and loss

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Current tax expense (a)		
In respect of current year	577.31	1,083.45
In respect of earlier years	(6.27)	-
Deferred tax expense (b)	571.04	1,083.45
In respect of current year	65.51	(65.68)
Tax expense recognised in the income statement (a+b)	636.55	1,017.77

B Amounts recognised in other comprehensive income

Particulars	2020-21			2019-20		
	Before tax	Tax (Expense) benefit	Net	Before tax	Tax (Expense) benefit	Net
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	52.45	(15.27)	37.18	(9.27)	2.70	(6.57)
	52.45	(15.27)	37.18	(9.27)	2.70	(6.57)

C Reconciliation of effective tax rate

Particulars	2020-21		2019-20	
	%	Amount	%	Amount
Profit before tax		3,221.33		3,787.30
Tax using the Company's domestic tax rate (Current year 29.12% and Previous Year 29.12%)	29.12%	938.05	29.12%	1,102.86
Tax effect of:				
Non-deductible tax expenses - Donation and CSR		12.69		11.23
Tax paid at lower rate		(152.99)		(0.77)
Additional allowance for tax purpose		(250.01)		(248.08)
Deferred tax liability created on Assets held for sale		-		72.58
Others		95.08		79.95
Effective Income Tax Rate		642.82		1,017.77
Adjustments recognised in current year in relation to the current tax of prior years		(6.27)		-
Income Tax Expense	19.76%	636.55	26.87%	1,017.77

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity and not in Statement of Profit or Loss or Other Comprehensive Income.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

45 Employee benefits
A Post Employment Benefit Plans:
Defined Contribution Scheme

The company makes contributions towards provident fund to define contribution retirement benefit plan for qualifying employees. The Provident fund contributions are made to Government administered employees' provident fund. Both the employees and the company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees salary.

The company has recognised . 62.53 lakhs (31st March,2020 102.89 lakhs) for Provident fund contributions in the statement of Profit and Loss.

Defined Benefit Plans

The Company has the following Defined Benefit Plans

Gratuity:

The company makes annual contribution to Ruby Mills Limited Employees' Gratuity Fund managed by HDFC Standard Life Insurance Limited and Bajaj Allianz; a funded defined benefit plan for the qualifying employees. The scheme provides for Payment to vested employees as under:

- i. On normal retirement / early retirement /withdrawals/ resignation : As per the provisions of payment of Gratuity Act, 1972.
- ii. On death in service : As per provisions of Payment of Gratuity Act, 1972.

Movement in net defined benefit (assets)/ liability

Particulars	Gratuity Funded	
	2020-21	2019-20
i) Reconciliation of balances of Defined Benefit Obligations.		
Defined Obligations at the beginning of the year	359.76	324.08
Interest Cost	18.87	19.08
Current Service Cost	41.85	36.34
Past Service Cost (Vested Benefits)	-	-
Benefits paid	(45.95)	(19.60)
Actuarial (Gains)/ Losses on obligations		
- Changes in financial Assumptions		
- Experience adjustments	0.46	17.14
- Demographic adjustments	(21.48)	(15.25)
Defined Obligations at the end of the year	-	(2.03)
	353.51	359.76

Particulars	2020-21	2019-20
ii) Reconciliation of balances of Fair Value of Plan Assets in respect of Gratuity		
Fair Value at the beginning of the year		
Interest income (a)	331.86	318.51
Return on Plan Assets, excluding interest income(b)	18.50	19.76
Actual Return on Plan assets (a+b)	31.42	(9.41)
Contribution by employer	49.93	10.35
Benefits paid	106.95	22.60
Fair Value of Plan Assets at the end of the year	(45.95)	(19.60)
	442.78	331.86
iii) Amount recognised in Balance sheet (I-II)	(89.28)	27.91

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

iv) Amount recognised in statement of Profit and Loss		
Current Service Cost	41.85	36.34
Interest Cost	18.87	19.08
Interest income	(18.50)	(19.76)
Past Service Cost (Vested Benefits)	-	-
Expenses for the year	42.22	35.65

v) Amount recognised in Other Comprehensive Income		
Remeasurements :		
Actuarial (Gains)/ Losses		
-Changes in financial assumptions	0.46	17.14
-Experience adjustments	(21.48)	(15.25)
-Demographic adjustments	-	(2.03)
Return on plan assets excluding net interest cost	(31.42)	9.41
Total	(52.45)	9.27

vi) Major Actuarial Assumptions			
Discount Rate (%)			
Staff	6.15%		6.32%
Workers	6.18%		6.14%
Salary Escalation/ Inflation (%)			
Staff	4.00%		4.00%
Workers	5.00%		5.00%
Attrition Rate			
Staff	8.00%		8.00%
Workers	6.00%		6.00%
Mortality Rates			
Staff	IALM (2012-14) ULT		IALM (2012-14) ULT
Workers	IALM (2012-14) ULT		IALM (2012-14) ULT
Expected Return on Plan assets (%)			
Staff	6.15%		6.32%
Workers	6.18%		6.14%

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors

The expected return on plan assets is based on market expectation at the beginning of the period, for returns over the entire life of the related obligation

vii) Investment Pattern for Fund		
Category of Asset		
Insurer Managed funds	442.78	331.86
Total	442.78	331.86

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

For the funded plans, the trust maintains appropriate fund balance considering the analysis of maturities. Projected Unit credit method is adopted for Asset-Liability Matching.

Sensitivity analysis

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31st March, 2020 is as below:

Particulars	Gratuity-Funded
+ 1% change in rate of Discounting	336.04
- 1% change in rate of Discounting	373.44
+ 1% change in rate of Salary increase/ inflation	371.12
- 1% change in rate of Salary increase/ inflation	337.79

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31st March, 2020 is as below:

Particulars	Gratuity-Funded
+ 1% change in rate of Discounting	342.78
-1% change in rate of Discounting	379.13
+ 1% change in rate of Salary increase/ inflation	376.76
- 1% change in rate of Salary increase/ inflation	344.57

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation keeping all other actuarial assumptions constant.

The expected future cash flows as at 31st March, 2021 were as follows:

Expected contribution	Gratuity-Funded
Projected benefits payable in future years from the date of reporting	
1 st following year	117.35
2 nd following year	25.50
3 rd following year	29.72
4 th following year	22.35
5 th following year	27.79
Years 6 to 10	110.80

Other details as at 31st March, 2021

Particulars	Gratuity-Funded
Weighted average duration of the Projected Benefit Obligation(in years)	
Staff	3.33
Workers	8.89
Prescribed contribution for next year - in Lakhs)	39.50

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

46 Related Party disclosures

A List of related parties and relationships

i Key Managerial Personnel:

a) Executive Directors

Hiren M. Shah (Executive Chairman)

Bharat M. Shah (Managing Director)

Viraj M. Shah (Managing Director)

Purav H. Shah (Whole time Director and Chief Executive Officer)

b) Other Key Managerial Personnel

Aruna M. Shah (Non-Executive Director till 16th March, 2021 and appointed as Chairman Emeritus from 17th March, 2021)

Shardul J. Thacker (Independent Director)

Yogen S. Lathia (Independent Director)

Deepak R Shah (Independent Director till 29th September, 2020 and appointed as Non-Executive Non-Independent Director from 30th September, 2020)

Mehernosh Rusi Currawalla (Independent Director)

Pradip Kapasi (Independent Director till 17th December, 2020)

Jaswanti Patel (Independent Director)

Rahul Divan (Independent Director from 30th September, 2020)

S. Jayaraman (Chief Financial Officer & Compliance Officer)

Pranav Maru (Company Secretary till 14th February, 2021)

ii Relative of Key Managerial Personnel with whom transactions have taken place

Rishabh V. Shah (President)

iii Entities Controlled by Key Managerial Personnel

Manubhai & Sons Investment Company Private Limited

Hiren Bros. Investment Company Private Limited

M C Shah & Sons Investment Company Private Limited

Ruby Sales & Services Private Limited

Lathia Industrial Rollers Private Limited

Lathia Industrial Supplies Company Private Limited

Lathia Rubber Manufacturing Company Private Limited

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

B Disclosure of transactions between the Company and related parties and the status of outstanding balance as on 31st March, 2021

Disclosures in respect of transactions/ balances with related parties	Key Managerial Personnel		Relatives of Key Managerial Personnel		Enterprise on which Key Managerial Personnel has control		Total	
	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2021	As at 31 st March, 2020
i								
Balance as at year end								
Loans Payable								
Smt. Aruna M. Shah	3,054.58	2,898.30	-	-	-	-	3,054.58	2,898.30
Shri Hirem M. Shah	2,064.37	2,742.99	-	-	-	-	2,064.37	2,742.99
Shri Bharat M. Shah	2,131.23	2,657.73	-	-	-	-	2,131.23	2,657.73
Shri Viraj M. Shah	877.44	872.26	-	-	-	-	877.44	872.26
Manubhai & Sons Investment Company Private Limited	-	-	-	-	1,509.00	1,382.60	1,509.00	1,382.60
Hiren Bros. Investment Company Private Limited	-	-	-	-	1,943.16	1,862.49	1,943.16	1,862.49
M C Shah & Sons Investment Company Private Limited	-	-	-	-	1,495.20	1,463.71	1,495.20	1,463.71
Ruby Sales & Services Private Limited	-	-	-	-	52.05	47.16	52.05	47.16
Other Payables								
Lathia Rubber Manufacturing Company Private Limited	-	-	-	-	0.20	0.20	0.20	0.20
Shri Hirem M. Shah	4.05	2.43	-	-	-	-	4.05	2.43
Shri Bharat M. Shah	4.06	2.42	-	-	-	-	4.06	2.42
Shri Viraj M. Shah	3.83	2.42	-	-	-	-	3.83	2.42
Shri Purav H. Shah	2.44	1.55	-	-	-	-	2.44	1.55
Shri Rishabh V. Shah	1.71	1.01	-	-	-	-	1.71	1.01
Shri S. Jayaraman	1.00	1.36	-	-	-	-	1.00	1.36
Shri Pranav Maru	0.39	0.50	-	-	-	-	0.39	0.50
Shri Yogen Lathia	0.18	-	-	-	-	-	0.18	-
Total	8,145.29	9,182.97	-	-	4,999.60	4,756.16	13,144.90	13,939.13
ii								
Transactions during the year								
Loans and Advances (Unsecured)								
Loans Received								
Smt. Aruna M. Shah	479.00	117.50	-	-	-	-	479.00	117.50
Shri Hirem M. Shah	281.50	1,228.75	-	-	-	-	281.50	1,228.75
Shri Bharat M. Shah	145.00	1,529.50	-	-	-	-	145.00	1,529.50
Shri Viraj M. Shah	135.00	337.00	-	-	-	-	135.00	337.00
Manubhai & Sons Investment Company Private Limited	-	-	-	-	185.40	152.80	185.40	152.80
Hiren Bros. Investment Company Private Limited	-	-	-	-	254.30	222.89	254.30	222.89
M C Shah & Sons Investment Company Private Limited	-	-	-	-	112.50	148.75	112.50	148.75
Ruby Sales & Services Private Limited	-	-	-	-	5.00	3.50	5.00	3.50
Total	1040.50	3212.75	-	-	557.20	527.94	1597.70	3740.69

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Disclosures in respect of transactions/ balances with related parties	Key Managerial Personnel		Relatives of Key Managerial Personnel		Enterprise on which Key Managerial Personnel has control		Total	
	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2021	As at 31 st March, 2020
Loans Repaid/ Adjusted								
Smt. Aruna M. Shah	102.63	886.00	-	-	-	-	102.63	886.00
Shri Hiren M. Shah	828.83	240.00	-	-	-	-	828.83	240.00
Shri Bharat M. Shah	601.32	285.50	-	-	-	-	601.32	285.50
Shri Viraj M. Shah	73.52	5.00	-	-	-	-	73.52	5.00
Manubhai & Sons Investment Company Private Limited	-	-	-	-	61.00	43.50	61.00	43.50
Hiren Bros. Investment Company Private Limited	-	-	-	-	176.00	10.00	176.00	10.00
M C Shah & Sons Investment Company Private Limited	-	-	-	-	82.00	7.00	82.00	7.00
Ruby Sales & Services Private Limited	-	-	-	-	-	2.00	-	2.00
Lathia Industrial Rollers Private Limited	-	-	-	-	-	125.00	-	125.00
Lathia Industrial Supplies Company Private Limited	-	-	-	-	-	125.00	-	125.00
Total	1,606.30	1,416.50	-	-	319.00	312.50	1,925.30	1,729.00
Expenses								
Rent								
Shri Bharat M. Shah	10.20	10.20	-	-	-	-	10.20	10.20
Shri Viraj M. Shah	10.20	10.20	-	-	-	-	10.20	10.20
Purchase of Store and Spare								
Lathia Rubber Manufacturing Company Private Limited	-	1.43	-	-	-	-	-	1.43
Total	20.40	21.83	-	-	-	-	20.40	21.83
Interest								
Smt. Aruna M. Shah	287.53	325.00	-	-	-	-	287.53	325.00
Shri Hiren M. Shah	201.63	201.09	-	-	-	-	201.63	201.09
Shri Bharat M. Shah	215.35	146.03	-	-	-	-	215.35	146.03
Shri Viraj M. Shah	88.14	90.12	-	-	-	-	88.14	90.12
Manubhai & Sons Investment Company Private Limited	-	-	-	-	148.45	140.51	148.45	140.51
Hiren Bros. Investment Company Private Limited	-	-	-	-	195.80	185.01	195.80	185.01
M C Shah & Sons Investment Company Private Limited	-	-	-	-	152.42	145.99	152.42	145.99
Ruby Sales & Services Private Limited	-	-	-	-	4.34	5.14	4.34	5.14
Lathia Industrial Rollers Private Limited	-	-	-	-	-	1.20	-	1.20
Lathia Industrial Supplies Company Private Limited	-	-	-	-	-	1.20	-	1.20
Total	792.65	762.24	-	-	501.01	479.05	1,293.66	1,241.29

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Disclosures in respect of transactions/ balances with related parties	Key Managerial Personnel		Relatives of Key Managerial Personnel		Enterprise on which Key Managerial Personnel has control		Total	
	As at 31 st March, 2020	As at 31 st March, 2019	As at 31 st March, 2020	As at 31 st March, 2019	As at 31 st March, 2020	As at 31 st March, 2019	As at 31 st March, 2020	As at 31 st March, 2019
Director's Fees								
Smt. Aruna M. Shah	1.58	1.00	-	-	-	-	1.58	1.00
Shri Deepak Shah	3.23	2.43	-	-	-	-	3.23	2.43
Shri Mehernosh Currawala	1.88	1.28	-	-	-	-	1.88	1.28
Shri Pradip Kapasi	1.28	1.08	-	-	-	-	1.28	1.08
Shri Shardul Thacker	3.45	2.50	-	-	-	-	3.45	2.50
Shri Yogen Lathia	3.38	2.03	-	-	-	-	3.38	2.03
Smt. Jasvanti Patel	1.65	-	-	-	-	-	1.65	-
Shri Rahul Divan	0.98	-	-	-	-	-	0.98	-
Total	17.40	10.30	-	-	-	-	17.40	10.30
Remuneration of Key Managerial Personnel								
Shri Hiren M. Shah	65.84	134.28	-	-	-	-	65.84	134.28
Shri Bharat M. Shah	65.84	134.28	-	-	-	-	65.84	134.28
Shri Viraj M. Shah	65.84	134.28	-	-	-	-	65.84	134.28
Shri Purav H. Shah	39.65	72.05	-	-	-	-	39.65	72.05
Shri Rishabh V. Shah	-	-	26.13	47.04	-	-	26.13	47.04
Shri S. Jayaraman	15.89	26.81	-	-	-	-	15.89	26.81
Shri Pranav Maru	3.90	3.63	-	-	-	-	3.90	3.63
Total	256.95	505.34	26.13	47.04	-	-	283.08	552.38

Remuneration Paid include perquisites which does not form part of Managerial remuneration calculation as per Schedule V of The Companies Act 2013

C Key Managerial Compensation*

i For referred in i (a) above

Remuneration	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Short-term employee benefits	212.14	424.58
Post-employment benefits	25.02	50.32
	237.16	474.90

ii For referred in i (b) above

Remuneration	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Short-term employee benefits	19.79	30.43
Post-employment benefits	-	-
Others (Including Sitting fees to Non-executive directors)	17.40	8.40
	37.19	38.83

* This aforesaid amount does not include amounts in respect of gratuity and leave entitlement as the same is not determinable.

Shri Bharat M. Shah and Shri Viraj M. Shah/Shri Purav Shah (Executive Directors) have given Personal guarantees for loans availed by the Company. Refer note no 27 and 31.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

47 Adoption of Ind AS 116 - Leases
A Leases as lessee

- a. The following is the Movement in Right of Use assets during the reporting period ended 31st March 2021 and its carrying value as on that date

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Balance as on 1st April, 2020	79.47	-
Addition of right-of-use assets that do not meet the definition of investment property	69.62	157.19
Depreciation charged during the current period	80.64	77.72
Carrying value of Right-of-use assets	68.44	79.47

- b. The following is the movement in lease liabilities for the year ended 31st March, 2021

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
As at beginning of the year	86.13	157.19
Addition	69.62	-
Finance Cost accrued during the year	15.77	16.22
Deletion	-	-
Payment of Lease liability	97.75	87.27
Lease Liability as at end of the year	73.77	86.13

- (c) Maturity Analysis of Lease liabilities

Maturity analysis –contractual undiscounted cash flows	As at 31 st March, 2021	As at 31 st March, 2020
Less than one year	34.68	77.03
One to five years	53.81	16.78
More than five years	-	-
Total undiscounted lease liabilities for the period ended*	88.49	93.81
Lease liabilities included in the statement of financial position*		
Current	33.66	70.40
Non-current	40.11	15.73

*On account of Ind AS 116 application w.e.f. 1st April, 2019, the lease period considered together with option of lease extension.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

(d) Amounts recognised in the statement of profit or loss

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Depreciation	80.64	77.72
Interest on lease liabilities	15.77	16.22
Variable lease payments not included in the measurement of lease liabilities	-	-
Expenses relating to short-term leases	8.60	11.20
Expenses relating to leases of low-value assets, excluding short-term leases of low value	-	-

(e) Amount recognised in the statement of cash flows

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Total cash outflow for leases	81.98	71.05

B Leases as Lessor
Operating leases

The Company has entered into cancellable and non-cancellable operating lease arrangement in respect of Premises, Plant and Machinery and Furniture and Fixture. The details are as follows:

 i Carrying value of Leases assets as follow as on 31st March, 2021 and as on 31st March, 2020

As at 31st March, 2021

Particulars	Buildings	Plant and Equipments	Furnitures and Fixtures
Gross Carrying Amount	3,743.05	1.48	2.84
Accumulated depreciation	828.81	0.97	0.50
Depreciation recognised in statement of P&L	149.24	0.06	0.10

As at 31st March, 2020

Particulars	Buildings	Plant and Equipments	Furnitures and Fixtures
Gross Carrying Amount	3,743.05	1.48	2.84
Accumulated depreciation	679.57	0.91	0.40
Depreciation recognised in statement of P&L	157.11	0.13	0.04

- ii Total Contingent rent recognised as income in the statement of Profit and Loss in the FY. 2020-21 is ₹ Nil (FY. 2019-20 ₹ Nil)
- iii The future minimum lease payments under Non cancellable lease receivable as at the year ending are as follows

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Less than one year	2,647.63	-
Between one and five years	682.37	-
More than five years	-	-

48. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year and are adjusted for the effect of all dilutive potential equity shares.

i Profit attributable to Equity holders of Company

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Profit attributable to equity holders of the Company for basic and diluted earnings per share	2,584.78	2,769.53

ii Weighted average number of ordinary shares

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
issued equity shares at 1 st April (In lakhs)	167.20	167.20
Weighted average number of shares at March 31 for basic and diluted earnings per shares (Face Value ₹ 5 per share)	167.20	167.20

Basic and Diluted earnings per share ()	15.46	16.56
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49. Financial instruments

A Calculation of fair values

The fair values of the financial assets and liabilities are defined as 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 following methods and assumptions were used to estimate the fair values of financial instruments:

- i The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).
- ii Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

B Fair value measurement hierarchy:

Particulars	As at 31 st March, 2021				As at 31 st March, 2020			
	Carrying amount	Level of input used in			Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets								
At FVTOCI								
Investments in equity Instruments	0.28	-	-	0.28	0.28	-	-	0.28
At FVTPL								
Investments in Mutual Funds	854.29	-	854.29	-	1,201.84	-	1,201.84	-
At Amortised cost								
Loans	9,207.57	-	-	-	9,306.94	-	-	-
Trade receivables	1,549.96	-	-	-	1,327.78	-	-	-
Cash and cash equivalents	1,549.12	-	-	-	74.93	-	-	-
Bank balances other than above	3,158.55	-	-	-	3,025.28	-	-	-
Other financial assets	71,551.40	-	-	-	69,608.92	-	-	-
Financial liabilities								
At Amortised cost								
Borrowings	39,448.08	-	-	-	38,971.97	-	-	-
Lease Liability	73.77	-	-	-	86.13	-	-	-
Trade payables	1,839.84	-	-	-	1,998.46	-	-	-
Other Financial liabilities	2,421.06	-	-	-	3,603.02	-	-	-

The fair value of financial instruments as referred to in note (B) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- i Level 1: Quoted prices for identical instruments in an active market;
- ii Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- iii Level 3: Inputs which are not based on observable market data.
- iv The following table presents the changes in level 3 items for the periods ended 31st March, 2021 and 31st March, 2020:

Particular	Unlisted equity securities
As at 1st April, 2019	0.28
Gains/(losses) recognised in other comprehensive income	-
As at 31st March, 2020	0.28
As at 1st April, 2020	
Gains/losses recognised in other comprehensive income	0.28
As at 31st March, 2021	-
	0.28

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

The Management assessed that cash and bank balances, trade receivables, loans, trade payable, borrowing and other financial asset and liabilities approximate their carrying amount largely due to the short-term maturities of these investment.

During the reporting period ending 31st March 2021 and 31st March 2020, there was no transfer between level 1 and level 2 fair-value measurement

Key inputs for Level 1 and 2 fair valuation technique:

Mutual Fund: Based on Net Asset Value of the Scheme (Level 2)

49 Financial instruments

C Financial risk management

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The key risks and mitigating actions are also placed before the Audit Committee of the Company

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

- a Credit risk;
- b Liquidity risk; and
- c Market risk;

a Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

i Trade and other receivables

Customer credit is managed by each business unit subject to the Company's established policies, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 21 days credit term for Textile division and for Garment division its ranges from 60 to 120 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company does not hold collateral as security. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

The following table provides information about the exposure to credit risk and Expected Credit Loss Allowance for trade and other receivables:

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance
0-3 months	1,312.89	21.17	1,285.29	21.37
3-6 months	14.34	0.43	25.99	0.78
6 months to 12 months	19.36	1.16	33.25	1.99
beyond 12 months	66.50	6.23	8.94	1.55
Sub Total	1,413.09	28.99	1,353.47	25.69
Rent Equalisation Reserve	165.86	-	-	-
Total	1,578.95	28.99	1,353.47	25.69

Movement in the loss allowances in respect of trade and other receivables during the year was as follows.

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Opening provision	39.30	32.54
Add: Provision created during the year	3.30	6.77
Less: Provision reversed on account of actual bad debts written off	-	(13.61)
Movement during the year	3.30	6.76
Closing provision	42.60	39.30

Movement in the loss allowances in respect of Loan given during the year was as follows.

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Opening provision	299.00	250.00
Add/(less) : Movement during the year	98.12	49.00
Closing provision	397.12	299.00

Movement in the loss allowances in respect of Interest Subsidy, Forex Subsidy and Capital Subsidy receivables during the year was as follows.

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Opening provision	7.54	-
Add/(less) : Movement during the year	30.16	7.54
Closing provision	37.70	7.54

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

i Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments, and due from developer. The Company has diversified portfolio of investment with various number of counter parties which have secure credit ratings hence the risk is reduced. Individual risk limits are set for each counter party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets;

b Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset;

Liquidity risk is managed by Company through effective fund management. The Company's principal sources of liquidity are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to below;

The following are the remaining contractual maturities of financial liabilities at the reporting date. Amounts disclosed are the contractual un-discounted cash flows:

Maturity analysis of significant financial liabilities

Particulars	As at 31 st March, 2021			As at 31 st March, 2020		
	Carrying amount	Contractual cash flows		Carrying amount	Contractual cash flows	
		Upto 1 year	More than 1 year		Upto 1 year	More than 1 year
Non- derivative financial liabilities						
Term Loans	24,161.59	1,213.19	22,948.40	23,366.03	1,055.02	22,311.01
Lease Liability	73.77	33.66	40.11	86.13	70.40	15.73
Other Loans	15,286.49	5,641.49	9,645.00	15,605.94	5,860.94	9,745.00
Trade and other payables	1,839.84	1,839.84	-	1,998.45	1,998.45	-
Other current liabilities	2,421.06	961.70	1,459.36	3,603.02	1,356.42	2,246.60

c Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

i 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's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company is not exposed to currency risk on account of its financing activities as the Company does not have any borrowings in foreign currency. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Exposure to currency risk

The currency profile of financial assets and financial liabilities are as below:

Particulars	As at 31 st March, 2021			As at 31 st March, 2020		
	USD	EURO	JPY	USD	EURO	JPY
Financial liabilities						
Trade and other payables	-	-	-	-	-	-
Trade and other receivable	0.19	-	-	0.24	-	-
Net exposure	0.19	-	-	0.24	-	-

Sensitivity analysis

The following table details the Company's sensitivity to a 25 basis points increase and decrease in the Rupee against the relevant foreign currencies is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 0.25% change in foreign currency rate. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Particulars	For the year ended 31 st March, 2021		For the year ended 31 st March, 2020	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
USD gain/(Loss)	0.03	(0.03)	0.04	(0.04)

c Market risk

ii Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation.

Moreover, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure.

The Company is also exposed to interest rate risk on its financial assets that includes fixed deposits, since these are generally for short duration, the Company believes it has manageable risk and achieving satisfactory returns. The Company also has long-term fixed interest bearing assets. However the Company has in place an effective system to manage risk and maximise return.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Exposure to interest rate risk

The Interest rate profile of the Company's interest bearing financial instruments is as follows

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed-rate instruments		
Financial Assets - measured at amortised cost		
Loan - Intercompany deposit*	9,207.57	9,306.94
Fixed Deposits	3,474.50	3,341.69
Total of Fixed Rate Financial Assets	12,682.07	12,648.63
Financial liabilities - measured at amortised cost		
Term loans	-	-
Other loans	13,954.15	14,393.32
Total of Fixed Rate Financial Liabilities	13,954.15	14,393.32
Variable-rate instruments		
Financial Assets - measured at amortised cost	-	-
Total of Variable Rate Financial Assets	-	-
Financial liabilities - measured at amortised cost		
Term loans	24,161.59	23,366.03
Other Loans		
Short term borrowings	1,332.34	1,212.62
Total of Variable Rate Financial Liabilities	25,493.93	24,578.65

* The above amount represents loan given by company which has significant increase in credit risk and no interest income is accrued in F.Y. 2020-21. Loss allowance of ₹ 397.12 lakhs has been created on the said amount as at 31st March, 2021.

Interest rate sensitivity

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets. The said calculation is done excluding loans which are taken and utilised for development of property and charged to due from developers which will never impact the income statement of the Company.

Particulars	For the year ended 31 st March, 2021		For the year ended 31 st March, 2020	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
Variable rate loan instruments	(4.76)	4.76	(4.47)	4.47

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

50. Capital Management:

The Company's objective is to maximize the shareholders' value by maintaining an optimum capital structure. Management monitors the return on capital as well as the debt equity ratio and makes necessary adjustments in the capital structure for the development of the business.

For the purpose of computing debt to equity ratio, equity includes Equity share capital and Other equity and Debt includes Long term borrowings, short term borrowings and current maturities of long term borrowings.

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Total Debt	39,448.08	38,971.97
Total Equity	49,932.24	47,310.28
Debt-Equity ratio	0.79	0.82

51 Segment information

A Basis for segmentation

Management has identified two reportable business segments, namely:

- i Textiles
- ii Real estate and related

Segments have been identified taking into account the nature of activities and its risks and returns.

The Company's Managing Director, the Chief Operating Decision Maker (CODM) for the Company, periodically reviews the internal management reports and evaluates performance/allocates resources based on the analysis of various performance indicators relating to the segments referred to above.

To meet the requirements of Ind AS 108, the activity of development is included within the broad segment as "Real Estate and related" which has resulted into a mere reclassification

B Information about reportable segments

Information related to each reportable segment is set out below. Segment profit (loss) after tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industry.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

Particular*	For the year ended 31 st March, 2021			For the year ended 31 st March, 2020		
	Textiles	Real estate and related	Total	Textiles	Real estate and related	Total
Revenue						
External Customers	9,359.86	2,972.96	12,332.82	15,282.51	3,025.51	18,308.02
Inter-segment	-	-	-	-	-	-
Total Revenue	9,359.86	2,972.96	12,332.82	15,282.51	3,025.51	18,308.02
Segment Results	600.93	2,624.57	3,225.50	902.16	2,608.54	3,510.70
Add: Un Allocated Income						
Other Income			911.31			842.36
Less: Un Allocated Expenses						
a) Finance Cost			(787.20)			(509.22)
b) Income tax (including deferred tax)			(636.55)			(1,017.77)
c) Other Expenses			(128.28)			(56.54)
Profit after tax			2,584.78			2,769.53
Other Information						
Segment assets	10,461.07	76,267.81	86,728.87	12,214.60	74,382.26	86,596.86
Unallocated Corporate Assets			20,004.14			20,334.05
Total Assets	10,461.07	76,267.81	106,733.02	12,214.60	74,382.26	106,930.91
Segment liabilities	2,005.19	11,766.66	13,771.85	2,315.89	11,989.95	14,305.84
Unallocated Corporate Liabilities			43,028.95			45,314.80
Total Liabilities	2,005.19	11,766.66	56,800.80	2,315.89	11,989.95	59,620.64
Depreciation and amortization on Property, Plant and Equipment and Investment Property	691.65	149.24	840.89	1,044.00	157.11	1,201.11
Material Non-cash expenses other than depreciation and amortisation	-	-	-	-	-	-
Capital expenditure	128.66	-	128.66	324.91	-	324.91

*For the purposes of review by the CODM, information referred to above is measured consistent with the accounting policies applied for preparation of these financial statements.

C Geographic information

The Company sells its products mainly within India where the conditions prevailing are uniform. Since the sales outside India are below threshold limit, no separate geographical segment disclosure is considered necessary (Refer note 52).

All non-current assets in the nature of property, plant and equipment (including capital work in progress) and intangible assets (including those under development) are domiciled in India.

D Information about major customers.

No single customer contributed 10% or more to the Company's revenue for the year ended 31st March, 2021 and 31st March, 2020 in case of Textile business and one customer has contributed 99 % and 99 % of the Company's revenue for the year ended 31st March, 2021 and 31st March, 2020 respectively in case of Real estate business.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

52. Disclosure in terms of Ind AS 115 on the accounting of revenue from Contracts with Customer

Particulars	Year Ended 31 st March, 2021	Year ended 31 st March, 2019
i) Disaggregated revenue information for Revenue from Contracts with Customers		
<u>Types of Goods or Services</u>		
Textile items	9,359.86	15,282.51
Total	9,359.86	15,282.51
<u>Sales by Geographical region</u>		
India	9,262.78	15,198.13
Outside India	97.08	84.38
Total	9,359.86	15,282.51
<u>Timing of Revenue recognition</u>		
Goods / services transferred at a point of time	9,359.86	15,282.51
Goods / services transferred at a over a period of time	-	-
Total	9,359.86	15,282.51
<u>Sales Channels</u>		
Directly to consumers	9,359.86	15,282.51
through intermediaries	-	-
Total	9,359.86	15,282.51
<u>Sales by Performance Obligations</u>		
Upon Shipment / Dispatch	9,359.86	15,282.51
Upon Delivery	-	-
Total	9,359.86	15,282.51
ii) Reconciliation of the revenue from contracts with the amounts disclosed in the segment information		
Total revenue from contracts with customer	9,359.86	15,282.51
Total revenue as per Segment - Textile	9,359.86	15,282.51
iii) Reconciliation between revenue with customers and contract price as per Ind AS 115:		
Revenue as per Contracted price	9,491.90	15,520.81
<u>Less:</u> Adjustments Price adjustments such as Discounts, incentives, performance bonuses	132.04	238.30
Revenue from contracts with customers	9359.86	15,282.51
iv) Contract Balances as at:		
Trade Receivables	1,549.96	1,327.78
Contract Liabilities	35.75	16.80

Revenue recognised from Contract liability (Advances from Customers)

- v) The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended 31st March, 2021.
- vi) Trade receivables are non-interest bearing and are generally on 21 days credit term for Textile division and for Garment division its range from 60 to 120 days credit term. In 31st March, 2021 ₹ 28.99 lakhs (31st March, 2020: ₹ 25.69 lakhs) was recognised as provision for expected credit losses on trade receivables. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

53 Disclosure in respect of expenditure on Corporate Social Responsibility activities:

Particulars	For the year ended 31 st March, 2021	For the year ended 31 st March, 2020
a. Gross amount required to be spent by the Company during the year	65.29	70.13
b. "Amount spent and paid on CSR activities included in the Statement"	75.68	70.40
Nature of Expenses		
Animal Welfare	10.00	15.00
Preventive Health Care	54.00	18.50
Food Distribution during COVID-19	6.68	5.00
Eradicating Hunger	5.00	0.90
Drought Relief	-	31.00

54 Contingent liabilities and capital commitment
a. Contingent liabilities

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
i) In respect of Income tax matters	387.24	938.97
ii) Other Matters:		
Excise, service tax and customs matters	286.04	286.04
FEMA	14.00	14.00
iv) Claim against company under RERA Act	-	-
v) Claim against the company by ex employees pending in labour court not acknowledged as debt	Not ascertainable	Not ascertainable

b. Capital Commitments

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
i) Related to Contracts:		
Estimated amount of contracts remaining to be executed on capital account	967.22	656.39
<u>Less:</u> Advances	482.58	468.50
Net Estimated Amount	484.64	187.89
ii) Other commitments	-	-

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2021

(All amounts in ₹ lakhs, unless otherwise stated)

55 Disclosure as per Section 186(4) of the Companies Act, 2013:

Particulars	Interest Rate	As at 31 st March, 2021	As at 31 st March, 2020
Rohan Developers Private Limited	12%	9,495.58	9,495.58
<u>Less</u> : Loss Allowances		(397.12)	(299.00)
Net Receivable		9,098.46	9,196.58

The CD was given as at the time, the Company temporarily had surplus funds. Presently, the said CD is reflected as non-current as not expected to be received within a period of twelve months from the date of the Balance Sheet.

56 The Operational revenue of March 2020 and subsequent months were impacted especially for the nationwide lockdown declared by Government of India from 22nd March, 2020 due to COVID-19. Due to this, the company's manufacturing operations commenced only in Mid October, 2020 and became fully operational by December 2020. Based on all relevant internal and external information available, Company does not anticipate any challenges in its ability to continue as Going Concern or meeting its financial obligations carrying value of property, plant and equipment, other intangible assets, investment, inventories, trade receivables and deferred tax assets.

57 Events after reporting period

No adjusting or significant non - adjusting events have occurred between the reporting date 31st March, 2021 and the report release date 29th June, 2021.

58. The figures for the corresponding previous year have been regrouped/rearranged wherever necessary, to make them comparable.

As per our attached report of even date

C N K & Associates LLP

Chartered Accountants
ICAI Firm No: 101961W/W-100036

Himanshu Kishnadwala

Partner
Membership No. 37391

Place : Mumbai
Dated : 29th June, 2021

For and on behalf of the Board of Director
Hiren M. Shah

Executive Chairman
DIN : 00071077

S Jayaraman

Chief Financial Officer
Officer &
Compliance Officer

Bharat M Shah

Managing Director
DIN : 00071248

Purav H. Shah

Chief Executive Officer &
Whole time Director
DIN : 00123460



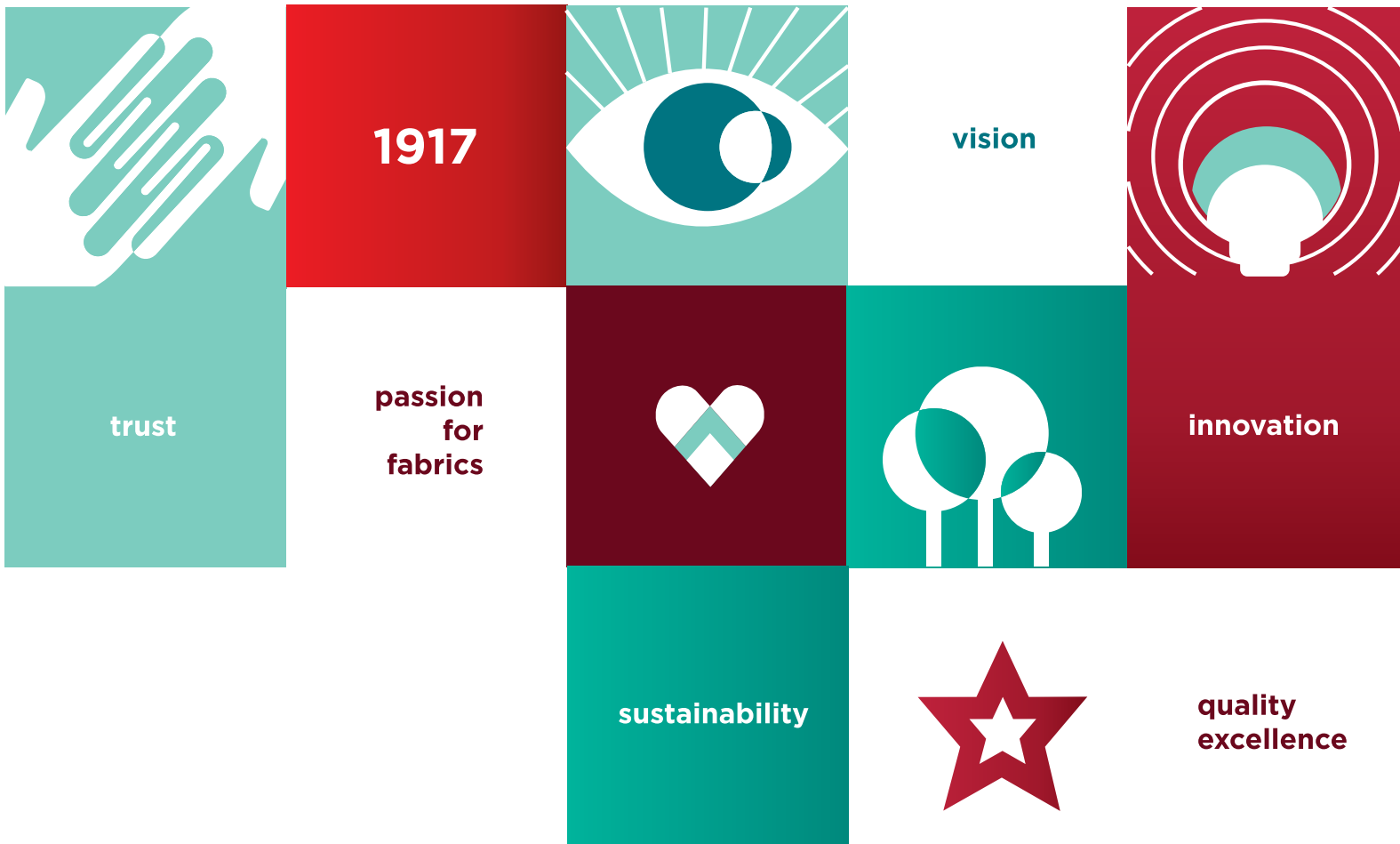
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