

Powering Growth with the **Retail Thrust**



ANNUAL REPORT **2020-21**



Contents

01-29

Corporate Overview

- 02 About Us
- 08 Financial Highlights
- 10 Letter from the Chairman & Managing Director
- 12 Segment Review
Retail
- 18 Segment Review
Institutional
- 22 Segment Review
Exports
- 24 Powering Inclusive Growth
- 26 Board of Directors
- 28 Five-Year Financial Performance
- 29 Corporate Information

30-106

Statutory Reports

- 30 Directors' Report
- 60 Management Discussion and Analysis
- 71 Business Responsibility Report
- 79 Report on Corporate Governance

107-305

Financial Statements

- 107 Independent Auditor's Report on Standalone Financial Statements
- 116 Standalone Financial Statements
- 198 Independent Auditor's Report on Consolidated Financial Statements
- 206 Consolidated Financial Statements
- 292 Notice of Annual General Meeting



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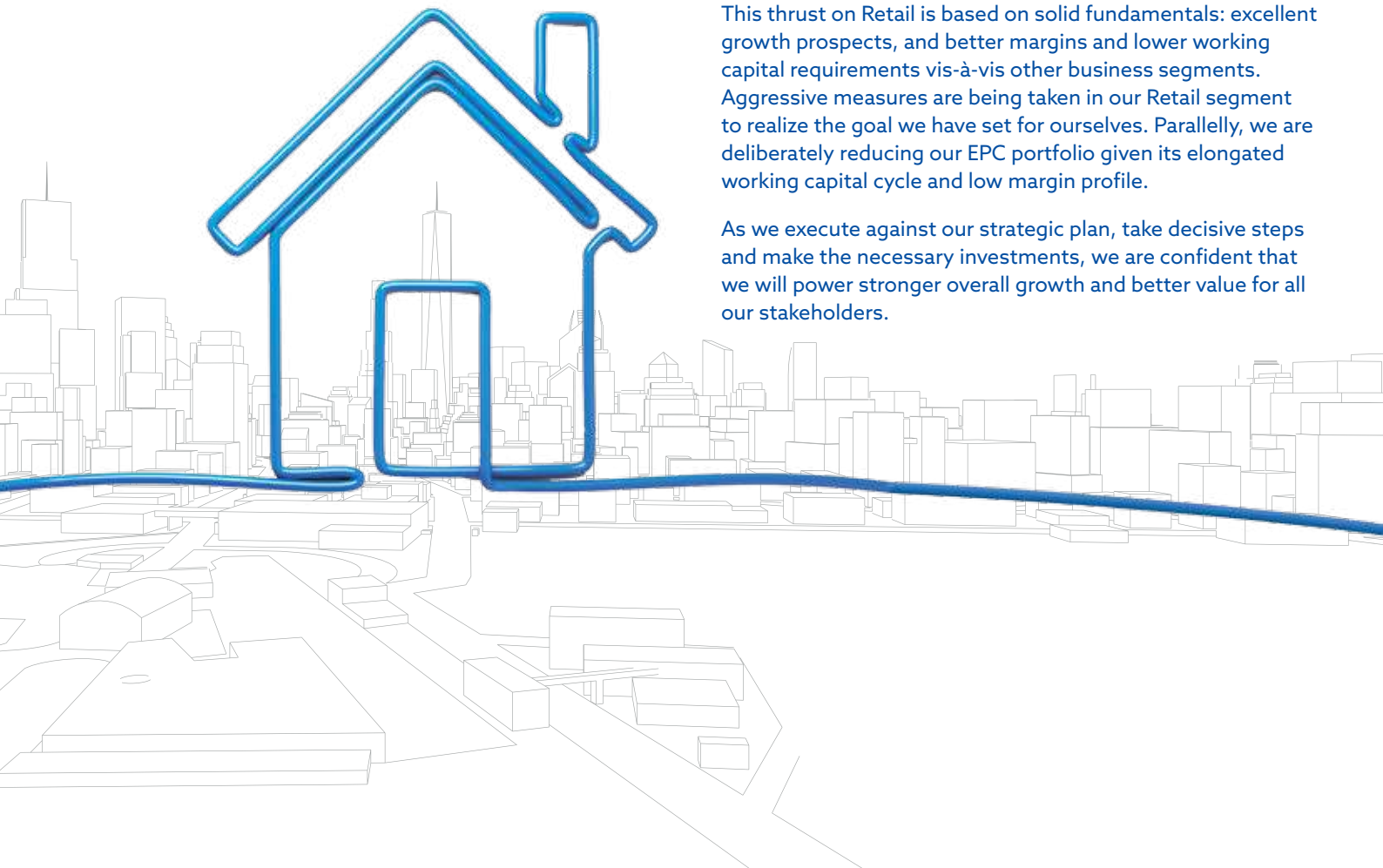
Powering Growth with the **Retail Thrust**

The strength we have built into our business came to the forefront as we delivered a resilient performance in challenging market conditions. All our business segments – Retail, Institutional and Exports – not only withstood the turbulence caused due to the global health crisis, but also recorded a quick rebound as soon as the operating environment turned reasonably favorable.

Our focus on powering growth remains unchanged. To get there, we are deploying multiple levers, the most important being a thrust on the Retail portfolio, which currently comprises about 34% of our total revenues, besides strengthening our Institutional segment and expanding our Exports. Our target is to achieve 40-50% of our revenues from Retail in the coming years.

This thrust on Retail is based on solid fundamentals: excellent growth prospects, and better margins and lower working capital requirements vis-à-vis other business segments. Aggressive measures are being taken in our Retail segment to realize the goal we have set for ourselves. Parallely, we are deliberately reducing our EPC portfolio given its elongated working capital cycle and low margin profile.

As we execute against our strategic plan, take decisive steps and make the necessary investments, we are confident that we will power stronger overall growth and better value for all our stakeholders.



About Us

KEI Industries Limited ('KEI') is one of India's leading and amongst the fastest-growing Wires and Cables (W&C) manufacturers. We have a broad-based product portfolio ranging from House Wires (HW) to Extra High Voltage (EHV) cables, which enables us to cater to a wide customer base across industries. We are also amongst the few players globally with manufacturing capabilities for EHV 400kV cables.

KEI was incorporated in 1992 while our beginnings trace back to 1968 when we commenced operations as a partnership firm. Our robust manufacturing prowess, high-quality products and growing presence, both in India and overseas, have enabled us to successfully scale up our business.

PRODUCT PORTFOLIO



Extra High Voltage Cables



High Voltage Cables



Low Voltage Cables



Control Cables



House Wires



Single Core / Multicore Flexible Cables



Instrumentation Cables



Thermocouple Extension / Compensating Cables



Solar Cables



Rubber Cables



Fire Survival / Resistant Cables



Marine & Offshore Cables



Winding Wires



Stainless Steel Wires

OUR BUSINESS SEGMENTS AND SEGMENT-WISE REVENUE MIX



Retail
34%



Institutional
51%



Exports
15%

EPC SERVICES

Leveraging our in-house cable production, we have forward integrated into Engineering, Procurement and Construction (EPC) services for utility projects having significant cabling requirements. Our EPC Division offers end-to-end turnkey solutions including engineering, consultancy and project management for EHV substation, transmission lines, underground cabling, overhead lines etc. These services are being delivered across core sectors like power, renewables, railways, refineries, petrochemicals, cement, steel, among others.

OUR STRENGTHS

1.

Wide product and sectoral presence

Serving multiple industries with a broad product range

2.

Low customer concentration

Top 10 customers accounting for 25% of sales in FY 2020-21

3.

Strategic manufacturing

Backward integrated manufacturing across 5 locations

4.

Strong prequalification credentials

Meeting stringent requirements of institutional and export customers

5.

Stable institutional relationships

Long-term relationships with institutional customers

6.

Growing exports presence

Products sold in 50+ countries with offices in 5 countries

7.

Robust R&D capabilities

Driving new product development and customized solutions

8.

Healthy financial performance

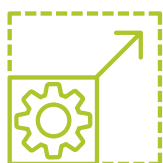
Strong growth and return ratios with a comfortable debt profile

9.

Experienced management team

Visionary leadership having extensive industry knowledge

OUR GROWTH STRATEGY



Capacity Expansion

Increase capacity in existing product portfolio by brownfield and greenfield expansion



Retail Business

Continued focus to increase the share of retail business in overall sales mix



Distribution Channel

Focus on increasing penetration by further expanding distribution network



Overseas Market

Further increase presence in the overseas market



FMEG Market

FMEG market to be the next avenue of growth after 2-4 years

KEY FACTS



5

State-of-the-art
manufacturing facilities



7%

Market Share in
India's organized
wires and cables
industry



>1,450

Institutional customers
in India



12%

Market share in the
institutional segment
in India



>50

Countries where our
products are exported



1,655

Distribution partners
across India

5,000+*

Employees



*including Contractual



Corporate Overview



Statutory Reports



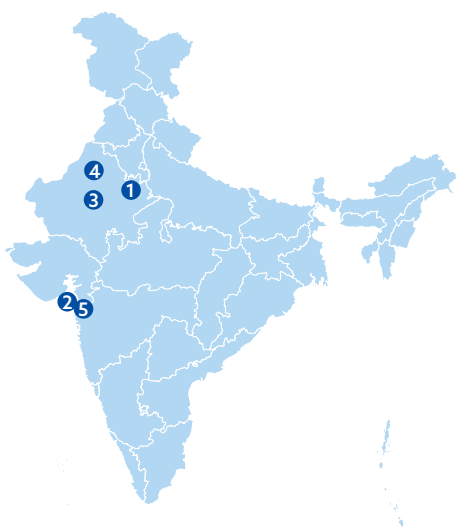
Financial Statements



MANUFACTURING AND R&D CAPABILITIES

Our state-of-the-art manufacturing capabilities are backward integrated through in-house PVC production. Backward integration enables us to exercise greater control over the manufacturing process and quality, thereby resulting in improved efficiencies. It also enables us to offer cost-competitive solutions and meet our customers' needs on time.

We have an advanced and accredited research and development facility. A team of expert R&D engineers, designers and technicians are driving innovation at the facility, enabling us to bring to the market customized, high-quality products that meet the requirements of our institutional and export customers.



PLANT LOCATION

- ① Bhiwadi (Rajasthan) ② Rakholi (Silvassa)
③ Chopanki (Rajasthan) ④ Pathredi (Rajasthan)
⑤ Chinchpada (Silvassa)

R&D LOCATION

- ① Bhiwadi
(Rajasthan)

Plant	Commencement Year	Cables (Kms)	Wires (Kms)	Stainless Steel Wires (MT)
Bhiwadi	1996	57,400	190,000	7,200
Rakholi	2002	30,000	627,000	
Chopanki	2007	7,600		
Pathredi	2018	22,600		
Chinchpada	2019	11,000	300,000	
Total		128,600	1,117,000	7,200

OUR PRODUCTS ARE TESTED AS PER INTERNATIONAL STANDARDS BY KEMA (THE NETHERLANDS), FGH (GERMANY), TUV (RHEINLAND), SGS, IRS, ABS, CEIL, BRE (UK), LLOYDS REGISTER, BVQI, DNV, KVERNER POWERGAS, CPRI, ERDA, IDEMI, EIL, PDIL AND MECON.

PRODUCT-WISE CAPACITY UTILIZATION

59%
CABLES

61%
HOUSE WIRES

85%
STAINLESS STEEL WIRES

OUR STATE-OF-THE-ART FACILITIES ARE EQUIPPED WITH FLEXIBLE MANUFACTURING SYSTEMS THAT CAN RESPOND QUICKLY TO THE RAPIDLY CHANGING MARKET AND PRODUCE HIGH-QUALITY PRODUCTS AT COST-EFFECTIVE PRICES.

CERTIFICATIONS

- ISO 14001:2015 certification for environment management system
- ISO 45001:2018 certification for occupational health and safety management
- ISO 9001:2015 certification for quality management system
- NABL accreditation under the ISO/IEC 17025:2017 standard for R&D facility

SECTORAL PRESENCE



Power



Oil Refineries



Railways



Automobiles



Cement



Steel



Fertilizers



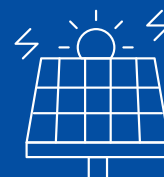
Telecommunication



Textile



Real Estate



Renewable Energy

Financial Highlights

REVENUE

₹4,181 Crore

FY 2020-21

₹4,884 Crore

FY 2019-20

EBITDA MARGIN

11.49%

Up by 100 basis points
from the previous year

EBITDA

₹481 Crore

FY 2020-21

₹513 Crore

FY 2019-20

PROFIT AFTER TAX

₹273 Crore

FY 2020-21

₹255 Crore

FY 2019-20

PAT MARGIN

6.54%

FY 2020-21

Up by 132 basis points
from the previous year

ORDER BOOK

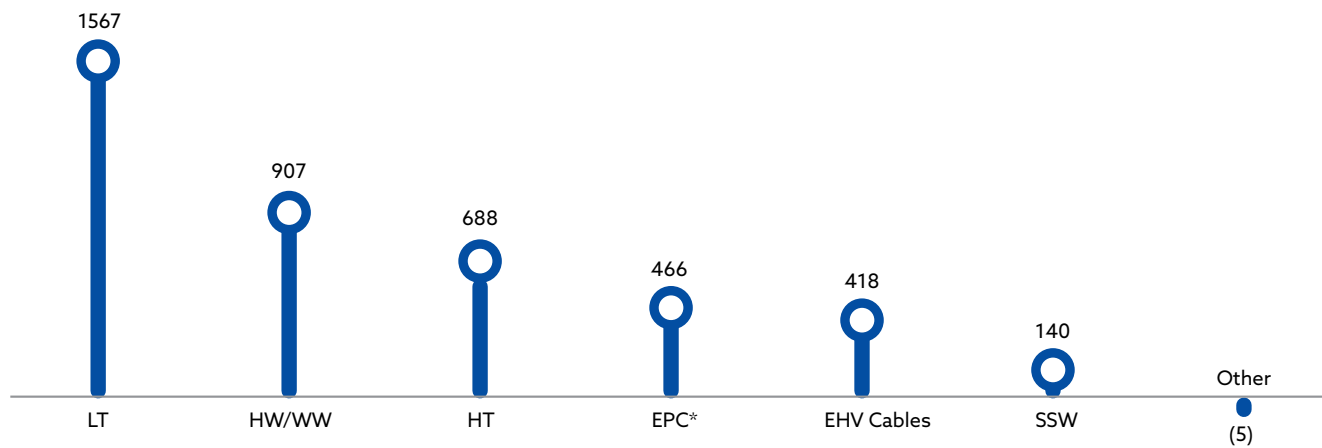
(AS OF JULY 28, 2021)

₹3,022 Crore

Long-term rating upgraded to AA-

Short-term rating upgraded to A1+

PRODUCT-WISE REVENUE MIX (IN ₹ CRORE)



* excluding cables

Letter from the Chairman-cum-Managing Director



DEAR SHAREHOLDERS,

An unprecedented year for everyone, FY 2020-21 nevertheless demonstrated KEI's resiliency and resolve. Throughout this tough period, our unflinching focus has been towards safeguarding our people, ensuring no major disruption to our customers and consumers, supporting our communities and retaining our financial strength. It was also a year of transformation for KEI as we set out to aggressively grow our Retail segment while gradually reducing the contribution of EPC projects to our overall sales mix. We believe that this strategic shift will enable us to deliver better value in the years ahead.

FINANCIAL RESULTS

The fiscal year commenced amidst the nationwide lockdown, resulting in all our plants being shut down for almost an entire month, our employees transitioning to a remote working environment, dealers not being operational, and supply chain disruption. As the year progressed, the slowdown in economic activities, with infrastructure projects facing delays due to shortage of workforce, localized restrictions and widespread uncertainty had a significant bearing on the demand for wires and cables.

At KEI, we responded with agility to deliver a commendable performance against this exceptionally challenging backdrop. Our net sales for FY 2020-21 stood at ₹ 4,181 Crore as against ₹ 4,884 Crore in the previous year. This decline in net sales was largely due to the lockdown and business restrictions in the first quarter and the execution of one large export order in the previous year. Our EPC sales for the full year was also

lower, which is as per the management strategy to reduce our dependence on the EPC business and restrict its turnover.

Our strong focus on optimizing our costs enabled us to improve our EBITDA margin to 11.49%, as against 10.49% in the previous year. Profit after tax stood at ₹ 273 Crore as against ₹ 255 Crore in the previous year. We are also pleased to report that our net debt (including acceptances) has been reduced by ₹ 514 Crore in the year under review, which has helped to reduce our finance cost. The retention money from EPC debtors is partly expected to be released during FY 2021-22, which will provide us with sufficient cash flows to meet our working capital and growth requirements. Further, our Company's credit rating was upgraded to Ratings AA- for long-term bank facilities and A1+ for short-term bank facilities. The revised outlook along with our strong liquidity profile will enable us to secure funds at competitive costs.

SEGMENT-WISE REVIEW

As mentioned previously, our Retail segment faced an exceptionally challenging first quarter during which sales declined by nearly 49% from the corresponding period in the previous year. However, with the easing of restrictions and unlocking of the economy, retail sales made a strong sequential revival to almost erase the adverse impact of the first quarter. For the full year, sales through the dealer / distribution market was almost at par with last year. More importantly, the contribution of our Retail segment to overall sales mix now stands at 34% as against 29% in the previous year. This is in line with our focused strategy as the Retail business offers better margins and has lower working capital requirements.

Going forward, our target is to generate 40-50% of our overall sales from the Retail segment in the medium term. To provide a thrust to the Retail segment, we have been strengthening our manpower in various sales branches at different levels all over India. We have also hired a leading consultant for helping us formulate the strategies to increase our sales through our distribution network. We remain focused on growing our dealer network, deepening our engagement with our channel partners and strengthening our brand visibility through increased investments. Plans to foray into the FMEG sector are also being carefully evaluated to boost our retail sales.

Our Institutional segment continued to deliver a steady performance with our strong pre-qualification credentials enabling us to tap the growing opportunities across multiple sectors. Our expertise and capability are best demonstrated

by the fact that we are among the select few manufacturers globally for EHV 400kV cables, which are being used for underground power transmission lines. Our market-leading position and the expanded customer relationships that we have built in this segment make us look to the future with confidence, especially as several of these sectors will be strong growth drivers powered by the government's focus on infrastructure and building a self-reliant nation.

As a strategic decision, we are reducing our stake in the EPC business due to the elongated working capital cycle, slow recovery of payments and low margin profile. We are confident that our shift from EPC will be more than compensated by our Retail segment in the coming years, as we use the freed-up resources to drive the latter's growth. While we will still pursue EPC projects when it satisfies our project selection criteria, we will limit its contribution to overall sales at 10-15% a clear benefit for our shareholders as well as for KEI. During the year under review, EPC contribution reduced from 15.64% to 11.15%, which has helped to reduce our working capital requirement.

For our Export segment, we delivered a resilient performance with sales being largely at par with FY 2019-20 after excluding the exceptionally large order that was executed during that year. In a pandemic-hit year, our ability to grow our international business was constrained as travel restrictions limited our business development activities. However, as conditions start normalizing, we will pursue our customer engagements with greater intensity to regain our growth momentum. We are actively looking at developing new export markets while deepening our presence in existing geographies.

CAPEX PLANS

To support our growth ambition, we will continue to invest in increasing our capacity. In the previous years, we had augmented our housing wires capacity with the setting of a new facility. We are now looking at investing around ₹ 600-700 Crore from internal accruals for growing our capacities for LT, HT and EHV cables. The capex will be undertaken over five years. Meanwhile, the Company has sufficient capacity to cater to the market demand over the next years by when new production lines will also be available.

PEOPLE INITIATIVES

I am enormously proud of how adaptive and resilient our employees were in the face of a global pandemic. I would like to thank every one of our employees for their hard work during this challenging time. With the health and safety of our people as our foremost priority, we quickly transitioned to work-from-home model for employees whose role enabled them to work remotely. Regular sanitization at workplace, free distribution of masks, tie-ups with hospitals for COVID-19 testing, hospitalization and other emergency requirements, and arranging oxygen concentrators were among the other measures taken for the safety and well-being of our people. We are pleased to share that we have rolled out vaccination drives

across all our locations for our employees and their families. With the pandemic still raging on, we continue to strictly adhere to all COVID-19 appropriate protocols at all our sites.

OUTLOOK

Heading into FY 2021-22, the severe second wave of COVID-19 in India resulted in a renewed lockdown of the economy.

While the nation was hit hard with the huge loss of lives, the situation is now under control and lockdowns have been eased with the Government's focus on accelerating vaccine rollout, strengthening of healthcare infrastructure and heightened public awareness on adopting health and safety measures. The improved operating environment combined with pent-up demand should boost the market growth for wires and cables.

Projects in areas of road and highways, tunnels, railways, metro rail, power transmission and distribution, airports, solar power and nuclear power, among others, are being awarded to spur economic growth. Further, the Government has extended its ₹ 111 Lakh Crore (USD 1.5 trillion) National Infrastructure Pipeline, which is an umbrella program integrating multi-sector infrastructural projects, to cover more projects by 2025. We are also witnessing capacity expansion and upgradation in various state-owned oil refineries. The Production-Linked Incentive (PLI) Scheme announced by the Government will encourage private players to enhance their domestic manufacturing capabilities. Smart city projects are underway while the expected pick-up in demand for real estate will aid the recovery of the construction sector.

All these factors point towards substantial growth for the wires and cables industry and, we believe, well-organized companies with good working capital management will be able to extract better value. At KEI, we have a strong cash flow and balance sheet, and substantial liquidity; this combined with our proven manufacturing and distribution capabilities positions us to be opportunistic in strategically reinvesting, capitalizing on market trends, and expanding our business.

ACKNOWLEDGMENT

I would like to thank all of our stakeholders, including customers, bankers, financial institutions, Central and State government bodies, channel partners, business associates, suppliers and employees, community and to you, our shareholders, for the continued trust and support in a difficult year. The Board is confident that while the pandemic has created near-term challenges, the business is fundamentally strong to deliver better value in the years ahead.

Wishing all of you the best in these challenging times.

Stay safe, stay well.

Sincerely,

ANIL GUPTA

Chairman-cum-Managing Director



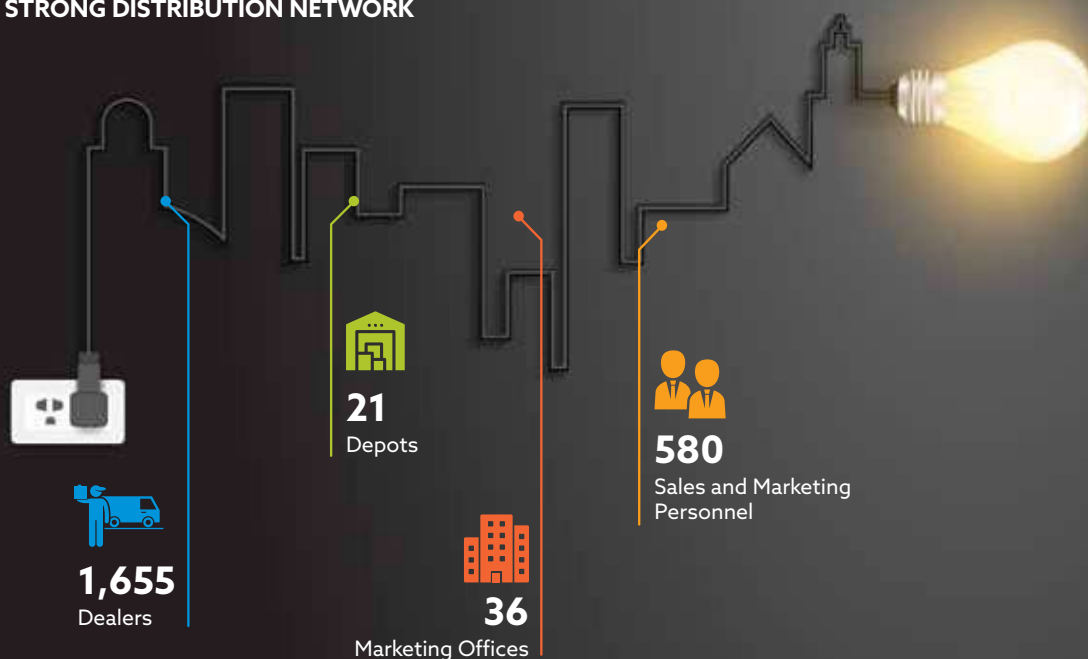
SEGMENT REVIEW

Retail

Grow

We are focused on aggressively growing our retail business with the aim to generate 40-50% of our overall sales from this segment in the medium term.

STRONG DISTRIBUTION NETWORK



RETAIL REVENUE CONTRIBUTION

House Wires

55%

LT/HT Cables

45%

WHERE WE STAND

Our Retail segment comprises house wires, winding and flexible wires, LT power cables and HT cables. The products are made available pan-India through our well-entrenched network of authorized dealers and distributors. The KEI brand has consistently been recognized as a 'Super Brand' for its strong proposition of trust and quality, high brand awareness and reliable customer service.

In FY 2020-21, the contribution of the Retail segment to overall sales increased to 34% from 29% in the previous year, while total retail sales dipped only marginally from the previous year. This was a commendable performance as it was achieved despite a muted first-quarter sales due to the nationwide lockdown, slowdown in real estate construction, and other COVID-19 related challenges. Our Retail sales have been steadily growing over the past five years at a CAGR of 20%, driven by our investments in brand building and distribution network. Backed by a strong distribution network across the country, we have also successfully diversified our revenue across regions.

FY 2020-21 HIGHLIGHTS

34%

Contribution of Retail segment to overall sales

₹1,408 Crore

Sales through the retail channel

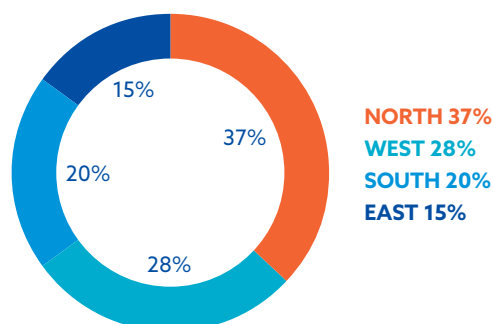
29%

FY 2019-20

₹1,413 Crore

FY 2019-20

PAN-INDIA RETAIL SALES

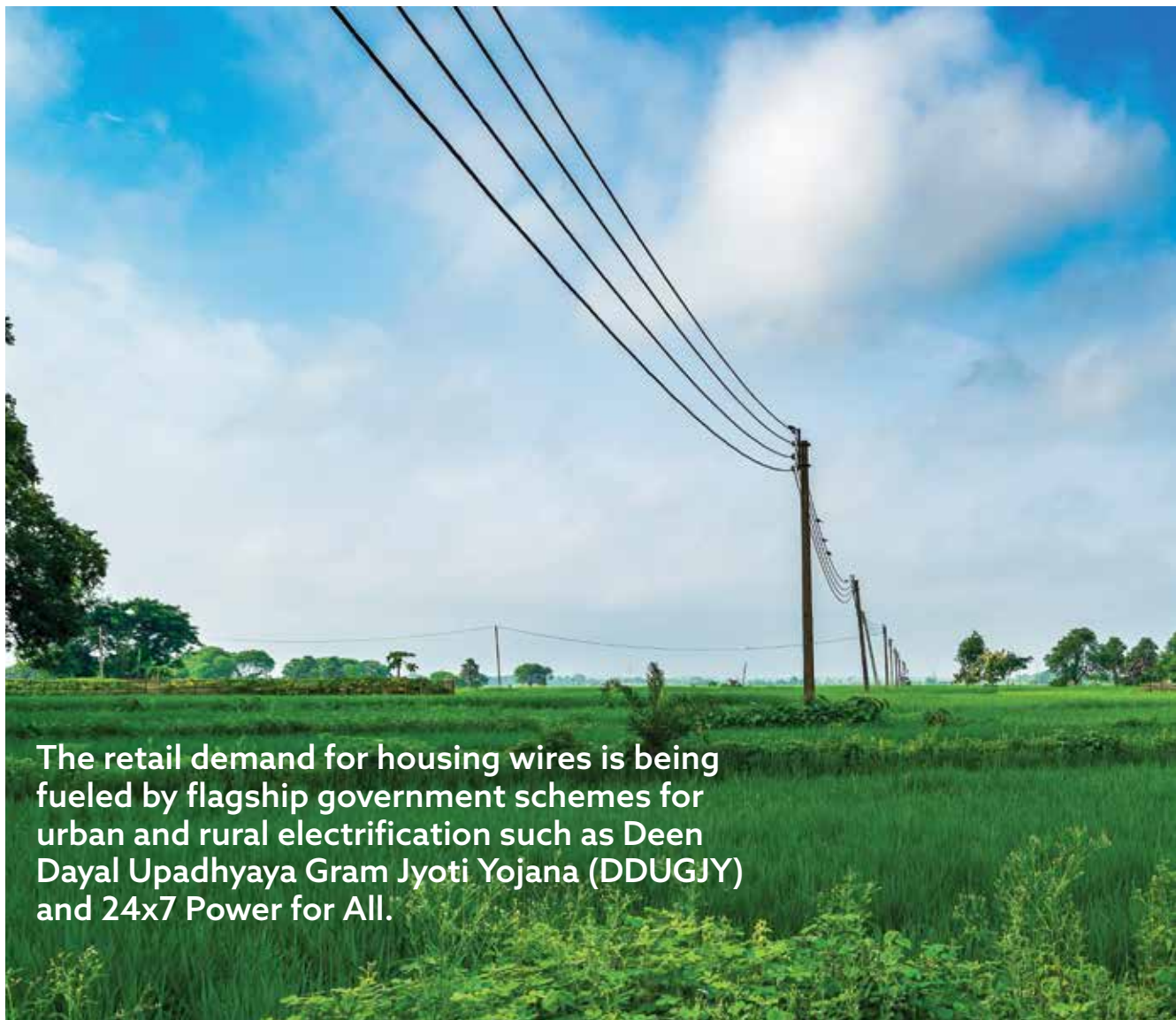


Our aim

We have identified the Retail segment for driving our next leg of growth. We aim to scale up Retail contribution to 40-50% of overall sales in the medium term, led by 40% growth in housing wires. We have hired a leading consultant for the development of strategies and policies for increasing our sales through our retail dealer network.

Higher margins and lower working capital requirements in Retail vis-à-vis other business segments are key factors driving our focus towards growing the former. As we increase the contribution of retail in our sales mix and enhance our channel coverage, it will narrow receivable days and strengthen cash generation.

We have already expanded our capacity in the house wires to support our growth expectations. The facility at Chinchpada, Silvassa, commissioned in FY 2019-20, is currently operating at 61% capacity utilization, providing ample headroom for boosting our production.



The retail demand for housing wires is being fueled by flagship government schemes for urban and rural electrification such as Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and 24x7 Power for All.

WHAT ARE THE OPPORTUNITIES

The market opportunities for growing our Retail segment are significant. The retail demand for housing wires is being fueled by flagship government schemes for urban and rural electrification such as Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and 24x7 Power for All. Increased urbanization and housing due to improved affordability is also boosting the demand for housing wires. Low-interest rates, tax benefits, lower stamp duty, attractive developer schemes and low property prices are the other reasons aiding the revival of housing demand.

Additionally, market dynamics augur well for the growth of the organized players in the wires and cables market in India. Rising middle class incomes, greater customer involvement in electrical purchases, and growing

preference for branded offerings are among the key trends benefiting the growth of the organized sector. Further, the implementation of GST, improved efficiency and better working capital management are also contributing to the growth of organized sector in India.

WHAT WE ARE DOING NEXT

Strengthening our retail team

We are increasing our retail sales team in our branches to have better penetration in every nook and corner of the country, including smaller cities and rural areas. We have strengthened our retail team in all our branches by recruiting desired manpower at different levels. During the year, we inducted more than 100 people into the retail team. The team has been segregated into two to ensure dedicated focus on both housing wires and LT/HT cables.

New structures have already been put in place for the reinvigorated team. In the current fiscal, we will be further strengthening our retail team to ensure that the segment has adequate resources to achieve our targeted growth.

To ensure the retail team's effectiveness, we are mapping out every geography by population and accordingly positioning our people. We are mapping the activity of the salesperson, his dealer coverage and his performance to improve market penetration. Promotional and below the line (BTL) activities conducted by our retail team with the electricians, architects, electrical consultants are also being carefully reviewed.

Increasing our distribution reach

In recent years, we have stepped up our distribution network for strengthening retail availability of products. Along with increasing our distributor network, we are also augmenting the retail network under each of our existing distributors. With the health and safety of our people being our foremost priority following the outbreak of COVID-19, we could not, however, increase our dealer network as planned for the year.

Our strategy of all-India distribution expansion, however, remains unchanged. We aim to increase our distribution reach by 10% every year in the medium term. In addition to growing our dealer footprint and deepening our market penetration, we are also deepening our engagement with channel partners and influencers. Getting products

Fan Acquisition campaign



approved from architects and consultants and entering new markets like semi-urban and rural India are other focus areas for growing our retail sales.

Investing in brand strengthening

We are aggressively investing in growing and deepening our brand connect. We undertake various above the line (ATL) and BTL advertisement and promotion activities. Promotion campaigns, event sponsorship, outdoor marketing activities, seminars, architect meets, electrician & nukkad meets, retailer meets, dealer meets, participation at trade exhibitions and one-to-one customer interactions are among the many ways we amplify our brand visibility. Our brand communication strategies encompass digital, print and electronic channels to power increased consumer engagement. These branding efforts are driving increased demand for our products at the retail counter and also ensuring better prices for our products.

We aim to increase our distribution reach by 10% every year in the medium term. In addition to growing our dealer footprint and deepening our market penetration, we are also deepening our engagement with channel partners and influencers.





KEY MARKETING & BRANDING INITIATIVES

Branding activity on news channels

During the year, with increased viewer interest in the news genre due to the COVID-19 crisis, we strategically invested in branding activity on Hindi news channels as well as leading regional news channels. 'Headline branding', 'laptop branding', co-presenting news highlights were among the initiatives taken on these channels to increase our brand salience. Further, we increased our presence on top-performing news shows during prime-time hours to maximize brand exposure among traders and consultants.

IPL sponsorship

We continued to be co-sponsors of IPL - India's biggest sporting extravaganza, this being the fifth year of our association. KEI was the principal partner to the Rajasthan Royals Team. IPL campaigns were run on digital and mass media to amplify our brand connect. We also leveraged our IPL association for poster branding at retail counters.



Rise in engagement over previous year



Facebook engagement increased by

84%



Twitter engagement increased by

199%



Instagram engagement increased by

213%



LinkedIn engagement increased by

550%

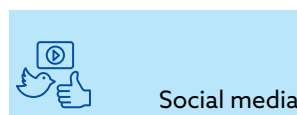
Digital engagement

In sync with the growing presence of our customers on digital platforms, further accelerated by the COVID-19 crisis, our thrust on digital marketing and outreach has been increased manifold. Our strategy has been to share engaging and shareable content on popular social media platforms. Our digital brand promotion campaigns and contests featured engaging topical and brand-centric content for connecting better with our audiences. Creative posts were also shared for generating safety awareness. Influencer marketing campaigns helped to promote our brand to a larger market while fan acquisition campaigns were run to get the attention of social media users and grow our audience. In addition to increased queries from the domestic market, our digital campaigns have also helped us to boost overseas interest in our products.

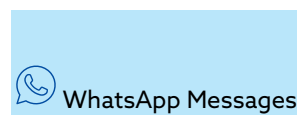
OTHER MEASURES

Festive banners with regional flavors and posters on topical trends were extensively put up across our distribution network. Outdoor hoardings, distribution of COVID-19 kits amongst channel partners, participation in local events and festivals, in-shop branding, wall painting, and posters on public transportation were among the other measures taken to drive brand awareness.

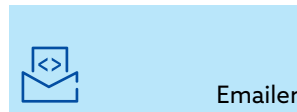
Targeting channel partners through multiple online media activities



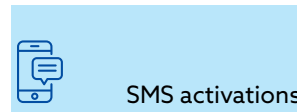
Social media



WhatsApp Messages



Emailer



SMS activations

Exploring profitable FMEG opportunities

In addition to scaling up the housing wires business and distribution network, we are also exploring the possibility of entering the FMEG segment. The FMEG segment holds considerable potential given India's huge consumption demand and the growing shift towards branded products. Our robust distribution network, strong brand positioning and focus on quality puts us at a vantage point for this proposed foray. Widening our retail product basket will further strengthen our retail presence and increase our counter share. As and when we enter the FMEG segment, our retail team will be involved in scaling up our product launches.



SEGMENT REVIEW

Institutional

Strengthen

We are focused on strengthening our institutional segment powered by our niche EHV capabilities while strategically scaling down our EPC business.

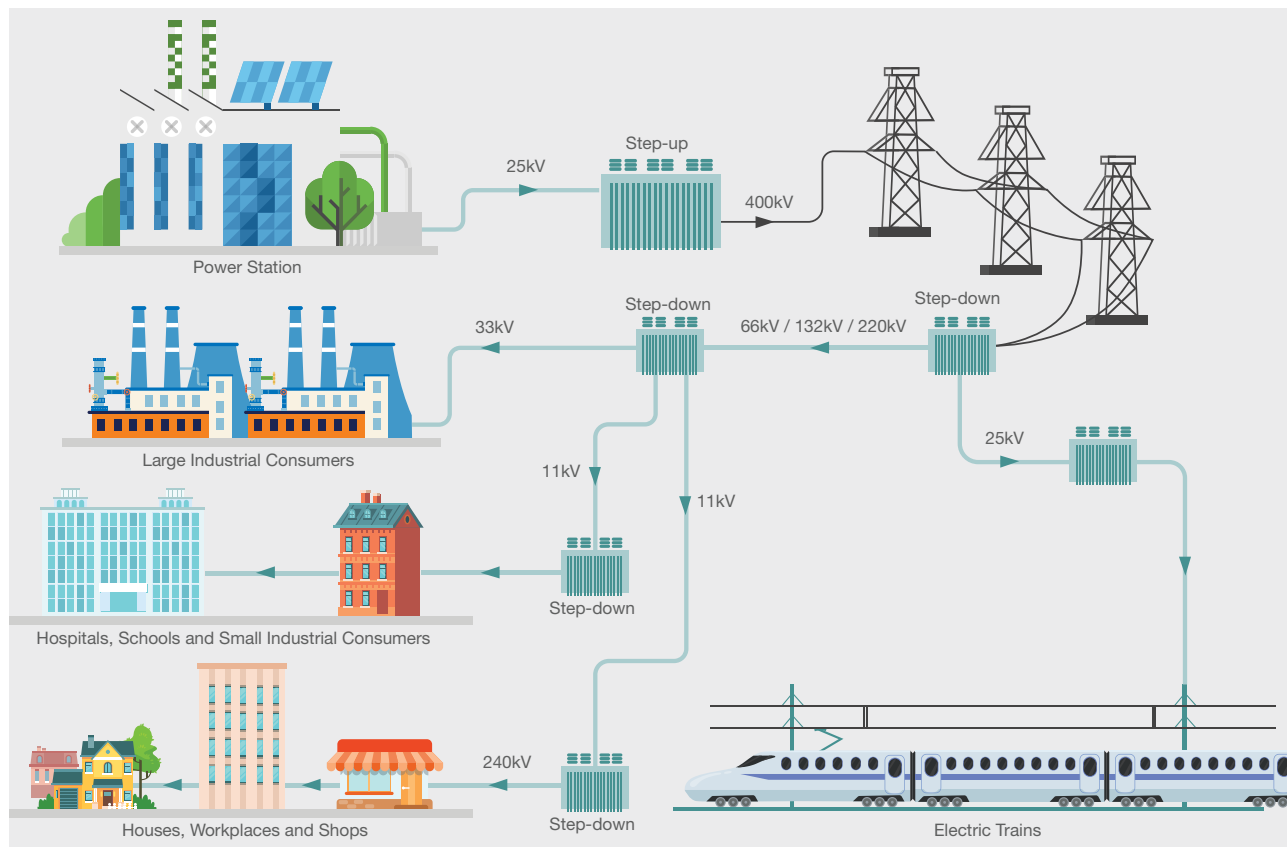
WHERE WE STAND

Our Institutional segment comprises EHV cables, HT and LT power cables, stainless steel wires and EPC solutions. We largely focus on projects with significant cabling requirements (25-30% in LT/HT | 75-80% in EHV) in the EPC space. In India, we are serving more than 1,450 institutional customers and hold around 12% market share. Our strong prequalification credentials is a key factor enabling us to cater to the institutional demand.

We are one of the few Indian players having the capability to manufacture EHV cables above 220kV and also amongst the select players globally to manufacture EHV 400kV cables. Our foray into the EHV cables segment was powered by our technological collaboration with Switzerland-based Brugg Kabel AG, which has over 100 years of experience in manufacturing EHV cables up to 550kV. Our strategic collaboration enables us to provide high-end designs and process backup services benchmarked to the highest global standards.

EHV cables offer significant advantages over conventional overhead lines for sub-transmission and distribution of power, including higher power density, lower transmission losses and efficient bulk-power delivery. Stringent requirements for meeting compliances and securing product approvals pose formidable entry barriers in the EHV cable space, generally taking new entrants at least eight years to enter the market. This gives us a compelling advantage to seize the growing opportunities in the EHV cables market.

KEI CABLE APPLICATIONS IN THE TRANSMISSION & DISTRIBUTION OF POWER



During the year, the COVID-19 outbreak had a severe impact on the operations of several industries in India, including power, telecom, aerospace, electrical equipment and construction. This coupled with economic uncertainty in several states reduced the demand for wires and cables. At KEI, the performance of our Institutional segment was also impacted by these exceptional circumstances.

In terms of operational highlights, we bagged our first big order of 400kV EHV cables from Tamil Nadu Transmission Corporation Limited. With the receipt of this order, our Company has achieved yet another milestone. It

is pertinent to mention that 400kV EHV cables are the among the highest rated voltage cables being used internationally for making underground transmission lines.

Another key development for the year was that we reduced the contribution of the EPC segment to our overall revenue mix, in line with our stated strategy. We are focusing on scaling down our EPC business given the low margin profile of new orders, high competitive intensity and elongated working capital cycle (including retention money clauses).

Our aim

Our focus is on consolidating our position in the Institutional segment by enhancing our manufacturing capabilities and tapping attractive opportunities in the EHV cables space. We will also downsize our EPC business and shift our focus to instead grow our Retail business.

FY 2020-21 HIGHLIGHTS

₹1,747 Crore

Total domestic institutional
wire & cable sale

₹1,825 Crore

FY 2019-20

₹1,329 Crore

Domestic Institutional HT &
LT Cable Sale

₹1,395 Crore

FY 2019-20

₹418 Crore

Domestic institutional EHV cable sale

₹430 Crore

FY 2019-20

**Decaling EPC business to
positively impact working capital**

11.15%

EPC contribution (including exports)
to overall revenue 15.64% in
FY 2019-20

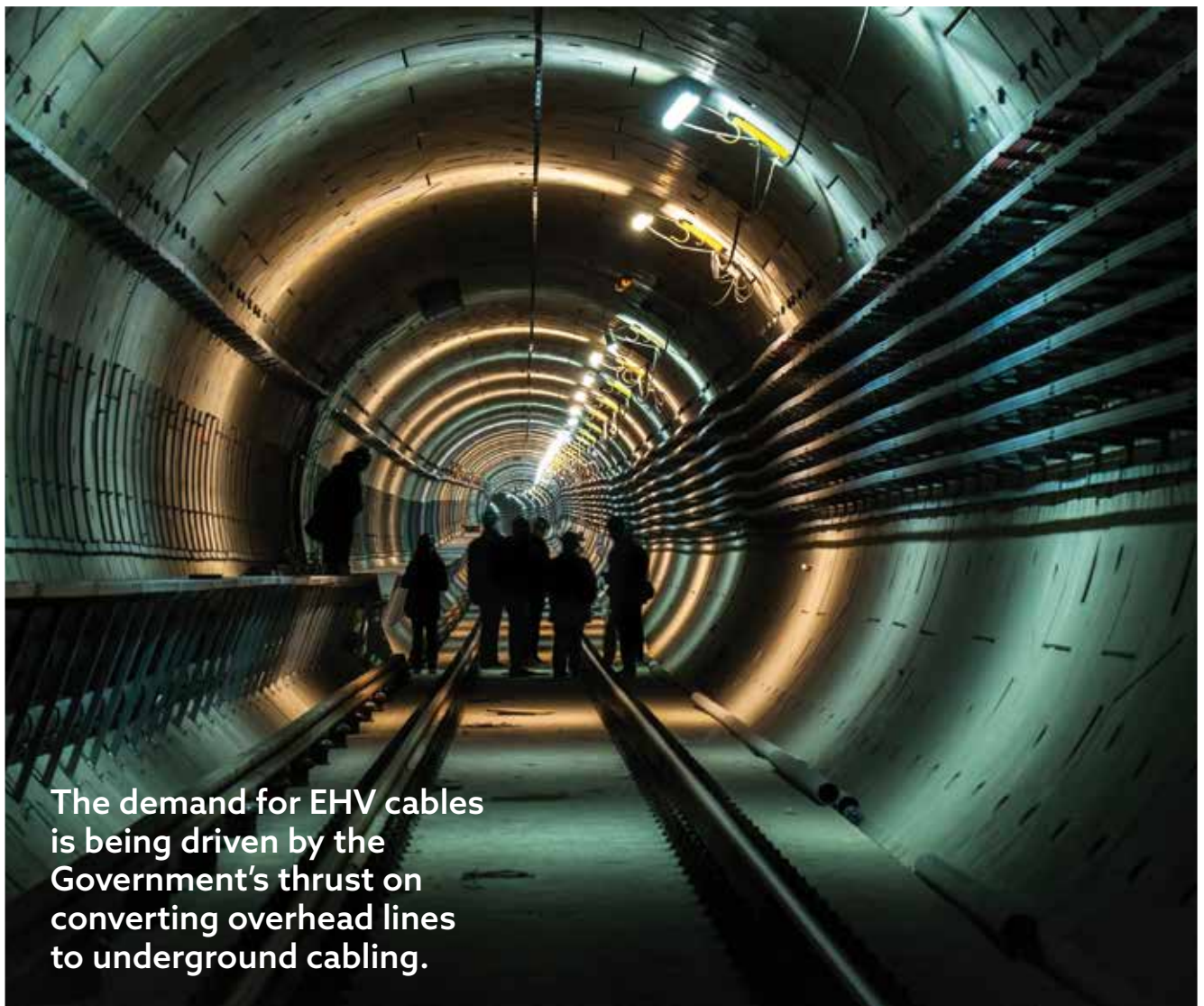


WHAT ARE THE OPPORTUNITIES

The institutional demand for cables in India is being driven by growth in the expansion and revamping of T&D infrastructure, increasing investments in other infrastructure projects, and renewable power generation. The focus on 100% electrification of existing railway network, setting up of metro rail, providing public charging infrastructure, 100% population coverage for telecom and high-quality broadband services and laying optical fiber cables across the nation under Bharat Net

project, and smart city projects are some of the key factors augmenting the demand for cables in India.

The National Infrastructure Pipeline (NIP) announced by the Government outlines an initial sanctioned amount of ₹ 111 Lakh Crore (USD 1.5 trillion) in the infrastructure sector over FY 2019-25. Energy, railways, urban and infrastructure will cover 72% of the expenditure. To revive economic growth in the wake of the pandemic-induced recession, the Government has extended the NIP to cover more projects by 2025.

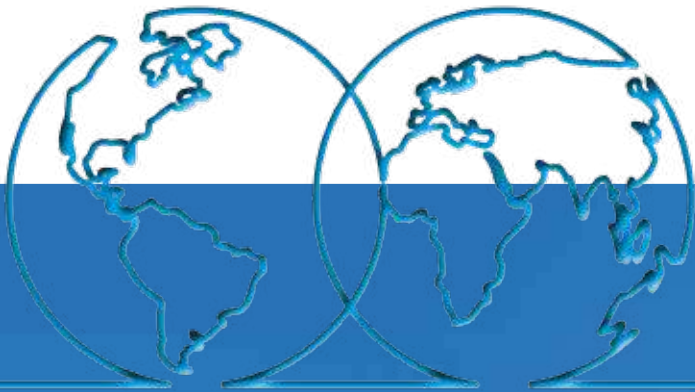


The demand for EHV cables is being driven by the Government's thrust on converting overhead lines to underground cabling.

The demand for EHV cables is being driven by the Government's thrust on converting overhead lines to underground cabling. This migration is being promoted as underground power supply grid is more reliable and safer than overhead networks. Also, smart cities, metro rail and high-end hospitals, hotels and shopping malls are increasingly going for underground cable networks as against overhead transmission lines for public safety reasons.

WHAT WE ARE DOING NEXT

To capitalize on the growth opportunities, we are looking at expanding our capacity for EHV cables. With our EHV facility already operating at 90% capacity utilization, the plan is to set up a 400 kV line in the first phase of expansion. We are also in the final stages of site selection for setting up of new facilities for LT, HT and EHV cables.



SEGMENT REVIEW

Exports

Expand

We are focused on expanding our exports to capitalize on growing global opportunities and further diversify our business.

FY 2020-21 HIGHLIGHTS

₹608 Crore

Total Revenue from exports

₹899 Crore

FY 2019-20

due to an exceptionally large order

WHERE WE STAND

Our wide range of cables, including EHV cables, HT cables and LT power cables, stainless steel wires, are exported to customers in over 50 countries. Our high-quality, customizable solutions and specialty cables at competitive prices enable us to meet the requirements of the oil and gas and other infrastructure-focused sectors in these geographies. We also provide our international customers with EPC services.



We have set up overseas marketing/project offices in Australia, Dubai, Nigeria, Gambia, Nepal and South Africa to drive our customer outreach efforts and build on our global relationships. Tie-ups with agents and distributors in international markets have further strengthened our ability to engage with our customers. Our physical proximity to customers also facilitates seamless approvals to grow our revenue from exports.

In FY 2020-21, revenue from the Export segment declined by 38.69% due to the execution of one large export order

in the previous year and COVID-19 travel restrictions impeding business development. Export orders were also under pressure due to lockdowns and a slowdown in economic activity in many of our key markets. Despite these exceptional circumstances, excluding the exceptional large order that we executed in FY 2019-20, our revenue from exports have stayed at par with the previous year. Against the challenging backdrop, we were also able to maintain our regular export orders arising from Australia, Middle East and Africa markets.

Our aim

We aim to further strengthen our exports by expanding our presence to new markets and growing our business in our existing geographies.

WHAT ARE THE OPPORTUNITIES

The global wires and cables market size was estimated at USD 183.14 billion in 2020, as per a report published by Grand View Research. It is expected to expand at a CAGR of 4.4% over 2021-28, to reach USD 260.16 billion by the end of this period. While the global wires and cables market has been facing headwinds due to the COVID-19 situation, the market is expected to make a steady recovery in the current year with resumption of manufacturing activities.

The increased demand for energy with growing population and urbanization is driving EHV cables market growth. Smart grids are replacing aging grid infrastructure, with new transmission networks being needed to be set up for these upcoming grids. High voltage cables possessing high current capacity over long distances are more suitable for these networks. The low voltage cables market is also poised for attractive growth due to rising demand from power

generation and distribution sector, renewable energy segment and automotive and non-automotive industries. Growing industrialization is another factor driving the overall market growth.

WHAT WE ARE DOING NEXT

Rising demand from various end-users continues to drive the growth of our Export segment. To further tap into the opportunities arising from the export market, we are looking to build a new authorized dealer and distribution network in international markets with a focus on both domestic and industrial cables and wires. Business development activities will also be stepped up once traveling resumes normalcy. Moreover, we continue to strengthen our prequalification credentials to meet the stringent parameters of our international customers and expand our customer base. Currently, our key end-users include oil and gas, renewable energy, power and infrastructure sectors across important markets around the world.

Powering Inclusive Growth

SHIKSHA JYOTI INITIATIVE

With a noble cause of promoting the efforts towards the education of the girl child belonging from low-income families, we curated the Shiksha Jyoti initiative. Under this initiative, we acknowledged the efforts of our influencers – electricians, who despite facing financial difficulties due to the COVID-19 situation, continued to support the education of their daughters. Through this initiative, we also created awareness among our influencers about the importance of adolescent girls' education. The aim was to ensure that our influencers continue to prioritize the education of their daughters and also resend them to school once institutions opened up.



The Company distributed Diwali hampers of headphones and datacard to the electricians' daughters to enable noise-free learning and empower them. We also designed a digital product by the name "Shiksha Jyoti" for the student community of Classes VI to XII. The portal will serve as a one-stop solution for referring to the syllabus, reading and downloading textbooks and even facilitate online learning.

650+

Girls benefitted from distribution of kit (supporting online education) under Shiksha Jyoti Initiative



MRS. ARCHANA GUPTA, Director

"We all are passing through a very difficult phase in our life. However, during this testing time, we should help each other to the best of our abilities to make this world once again a happy place to live in. At KEI Wires and Cables, we strongly believe that electricians are important members of our family. Therefore, we want to recognize the efforts of those who have supported their daughters in continuing their education despite the financial struggles caused by the pandemic."



PARTNERING POLICE EFFORTS AT KUMBH MELA FOR COVID-19 SAFETY

At the Maha Kumbh Mela 2021 organized at Haridwar, we partnered with the Uttarakhand government and police authorities to help in maintaining COVID-19 appropriate behavior among pilgrims. To ensure best safety practices, signages were created to highlight and remind three key points: Maintain Social Distance, Wash Your Hands and Always Wear Mask. We also helped in facilitating crowd management by installing 100 direction signages in a radius of two kms area. Messages of COVID-19 appropriate behavior on 100 policing barricades and installation of 5 mobile watch towers were among the other measures taken to manage public movement. Through these socially responsible actions, we strived to ensure COVID-19 compliance for around two million pilgrims who visited the Kumbh Mela.



At KEI, we firmly believe in being a force for good through a purpose-driven approach and the creation of shared value. Supporting the empowerment and well-being of local communities is integral to the way we operate. Our corporate responsibility efforts span hunger and poverty eradication, education, healthcare, and disaster management. In wake of the COVID-19 crisis, our initiatives were also aligned to help reduce the hardship and struggles faced by communities. We usually partner with NGOs and local associations to address social needs and make a meaningful difference.

ERADICATING HUNGER AND POVERTY

KEI sponsored the Food Support Program organized by the International Society for Krishna Consciousness (ISKCON) in Delhi. Under this program, over two lakh people were fed daily during the lockdown. We also supported food camps in Bhiwadi and Salasar in Rajasthan, organized by Bhiwadi Manufacturers Association and Salasar Dham Vikas Samiti, respectively.

SUPPORTING EDUCATION

With COVID-19 disrupting education, we directed our CSR efforts towards supporting the education of the girl child amongst our channel partners' families. The Shiksha Jyoti Portal was created to facilitate online learning. On the occasion of Diwali, headphone and datacard gift hampers were given to the daughters of electricians to enable noise-free learning. Over 650 girls benefited from this distribution during the year.

Additionally, we continued with our regular efforts to promote education and skill development among children from underprivileged families. These programs were undertaken in Siddipet district, Telangana; New Delhi; Saputara, Gujarat; Dibrugarh, Assam; and Jewar, Uttar Pradesh in partnership with local welfare organizations.

PROMOTING HEALTHCARE

We supported the cause of healthcare in Delhi and Bhiwadi, Rajasthan by partnering with Rotary Foundation (India) and Rotary Club of Bhiwadi, respectively.

DISASTER MANAGEMENT

We supported relief measures in disaster-hit regions of Delhi and Changlang, Arunachal Pradesh.

ANIMAL WELFARE

We extended our support for animal welfare in Delhi.



Board of Directors



1



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10

1. MR. ANIL GUPTA

Promoter, Chairman-cum-
Managing Director

Mr. Anil Gupta is a renowned expert in the Indian cables and wires industry and a strong believer in modern technology. He has spearheaded some pathbreaking innovations in the industry and has been the guiding force behind KEI's vision to become the undisputed leader in its category and build a robust corporate identity. Mr. Gupta commenced his journey with KEI in 1979 as a partner in the erstwhile Krishna Electrical Industries and soon rose to become its Chairman-cum-Managing Director. With over four decades of experience at the helm,

he plays a strategic role in guiding the Company to scale new heights of success. He has also initiated various policies on marketing, production, quality control and product development.

2. MR. K.G. SOMANI

Non-Executive & Independent Director

Mr. K.G. Somani is the partner of M/s K.G. Somani & Co., Chartered Accountants, Delhi, and has extensive experience in Finance, Companies Act, Tax Laws. He has participated in a large number of seminars & conferences all over India and abroad. Mr. Somani is a Fellow Member of ICAI and was elected as a member of the Central Council of the ICAI of India in 1979

and was a Council Member during 1979-1992. He was the President of ICAI in 1988-89 and has worked on all the standing committees during his continued membership of the council during 1979-1992. He was the Chairman of the Professional Development Committee, Board of Studies and Company Law Committee of the Institute during this period and was the Chairman of the Technical Standards Committee of South Asian Federation of Accountants (SAFA).

3. **MR. PAWAN BHOLUSARIA**

Non-Executive & Independent Director

Mr. Pawan Bholusaria has sound knowledge of finance, tax laws and has handled a large number of audits. He is a fellow member of The Institute of Chartered Accountants of India and is a practicing Chartered Accountant. He is the partner of M/s P. Bholusaria & Co., Chartered Accountants and has more than 40 years of experience in public practice. He has audited the accounts of various nationalized banks, mutual funds, government and public companies. Mr. Bholusaria is also on the Board of Directors of other private/public companies.

4. **MR. VIJAY BHUSHAN**

Non-Executive & Independent Director

Mr. Vijay Bhushan has acted as the President of the Association of National Exchanges Members of India (ANMI), which is an association of NSE & BSE Brokers. Mr. Bhushan is an MBA from the University of Delhi and has been actively associated with the capital market since 1981. He was elected as the President of the Delhi Stock Exchange in the year

2001-02 and was also the Chairman of the Federation of Indian Stock Exchanges, representing 20 Stock Exchanges from 2002-04.

5. **MRS. ARCHANA GUPTA**

Non-Executive Director

Mrs. Archana Gupta has played a pivotal role in transforming the Stainless Steel Wires Division at KEI. She has been instrumental in the expansion of this division and in defining the functional ambit and footprint of KEI. Under her able management, KEI's Stainless Steel Wires vertical has grown to become one of the most trusted names in the stainless steel wires industry in India. Mrs. Gupta plays a principal role in the planning, organizing, and optimizing resources for the Stainless Steel Wires Division of KEI.

6. **MR. AKSHIT DIVIAJ GUPTA**

Executive Director

Mr. Akshit Diviaj Gupta is a young and dynamic professional with a strong entrepreneurial background. He has experience in handling EPC projects and marketing functions of the Company. He holds a BBA degree in Management, an Honorary Graduate Fellowship, and has an acute interest and knowledge of diverse business activities.

7. **MR. VIKRAM BHARTIA**

Non-Executive & Independent Director

Mr. Vikram Bhartia has more than 50 years of experience as an industrial entrepreneur. He holds a B. Tech. (Hons.) degree from IIT Kharagpur.

8. **MR. RAJEEV GUPTA**

Executive Director (Finance) & CFO

Mr. Rajeev Gupta has around 28 years of experience in Corporate Finance and is presently heading the Finance & Accounts Department of KEI. Mr. Gupta holds a B.Com. degree and is a Chartered Accountant.

9. **MR. SADHU RAM BANSAL**

Non-Executive & Independent Director

Mr. Bansal has a wealth of experience of more than 36 years in finance, banking, and administrative functional capacities. He is a former Chairman & Managing Director of Corporation Bank. Mr. Bansal holds an MA degree in English and is a Certified Associate of Indian Institute of Bankers (CAIIB) and an Associate of Indian Institute of Banking & Finance (AIBF).

10. **MS. SHALINI GUPTA**

Non-Executive & Independent Director

Ms. Shalini Gupta is a Business and Technology professional with over 22 years of experience. She has held various senior roles in strategy and technology with emphasis on planning, long-range road mapping, budgeting, pre-sales and sales operations, project execution and account management. She has prior experience in rolling out and program managing large, complex transformational projects as well as managing multiple internal and external stakeholders. She has multi-cultural experience and has lived and worked in both the US and India.

Five-Year Financial Performance

(₹ in Crore)

PARTICULARS	2016-17	2017-18	2018-19	2019-20	2020-21
PAID-UP CAPITAL	15.56	15.67	15.79	17.90	17.97
NET WORTH	460.91	604.53	778.89	1506.76	1777.65
NET SALES	2666.32	3445.87	4226.96	4884.27	4181.49
PBDIT	279.08	347.69	449.40	512.51	480.55
PBIT	250.68	315.46	415.45	455.82	422.74
PBT	126.25	204.16	279.30	326.67	365.43
NET PROFIT	93.83	144.56	181.87	255.10	273.31

PARTICULARS	2016-17	2017-18	2018-19	2019-20	2020-21
PROFITABILITY RATIOS (%)					
PBDIT	10.47	10.09	10.63	10.49	11.49
PBIT	9.40	9.15	9.83	9.33	10.11
PBT	4.73	5.92	6.61	6.69	8.74
Net Profit	3.52	4.20	4.30	5.22	6.54
ROE (NET PROFIT/NET WORTH)	20.36	23.91	23.35	16.93	15.37

PARTICULARS	2016-17	2017-18	2018-19	2019-20	2020-21
GROWTH RATIOS (%)					
NET SALES	14.65	29.24	22.67	15.55	-14.39
PBDIT	12.71	24.58	29.25	14.04	-6.24
PBIT	12.76	25.84	31.70	9.72	-7.26
PBT	32.42	61.71	36.80	16.96	11.87
NET PROFIT	50.85	54.07	25.81	40.27	7.14

Corporate Information

BOARD OF DIRECTORS

Mr. Anil Gupta
Chairman-cum-Managing Director

Mrs. Archana Gupta
Director

Mr. Akshit Diviaj Gupta
Director

Mr. Pawan Bholusaria
Director

Mr. K.G. Somani
Director

Mr. Vijay Bhushan
Director

Mr. Vikram Bhartia
Director

Mr. Rajeev Gupta
Executive Director (Finance) & CFO

Mr. Sadhu Ram Bansal
Director

Ms. Shalini Gupta
Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Kishore Kunal

AUDITORS

M/s. Pawan Shubham & Co.
Chartered Accountants
New Delhi

BANKERS

Bank of Baroda
State Bank of India
Punjab National Bank
Union Bank of India
Axis Bank Ltd
ICICI Bank Ltd
IndusInd Bank Ltd
IDFC First Bank Ltd
Indian Overseas Bank
RBL Bank Ltd
HDFC Bank Ltd
DCB Bank Ltd
IDBI Bank Ltd
Bank of India
Kotak Mahindra Bank Ltd
Bank of Bahrain & Kuwait B.S.C
DBS Bank India Limited
Yes Bank Limited

REGISTRAR & SHARE TRANSFER AGENT

MAS Services Ltd.
T-34, 2nd Floor,
Okhla Industrial Area,
Phase - II,
New Delhi - 110 020
CIN: U74899DL1973PLC006950
Ph: +91-11- 26387281/82/83
Fax: +91-11- 26387384
Email: info@masserv.com
Website: www.masserv.com

CORPORATE & REGISTERED OFFICE

D-90, Okhla Industrial Area,
Phase - I,
New Delhi - 110 020
CIN: L74899DL1992PLC051527
Ph: +91-11-26818840/8642
Fax: +91-11-26811959/7225
Email: cs@kei-ind.com
Website: www.kei-ind.com

WORKS OFFICE

- SP-919-920, 922
RIICO Industrial Area,
Phase-III, Bhiwadi,
Dist. Alwar (Rajasthan) - 301 019
- 99/2/7, Madhuban
Industrial Estate, Village
Rakholi, Silvassa, Union
Territory of Dadra & Nagar
Haveli - 396 240
- Plot No. A-280-284,
RIICO Industrial Area,
Chopanki,
Dist. Alwar (Rajasthan) - 301 019
- Plot No. SP2-874,
RIICO Industrial Area,
Pathredi,
Dist. Alwar (Rajasthan) - 301 019
- Survey No. 1/1/2/5,
Village Chinchpada,
Silvassa, Union Territory of
Dadra & Nagar
Haveli - 396 230

Directors' Report

To The Members

Your Directors have pleasure in presenting their 29th Annual Report, together with the Audited Annual Standalone and Consolidated Financial Statements of the Company for the year ended March 31, 2021.

FINANCIAL SUMMARY

The Company's financial performances for the year ended March 31, 2021 along with previous year's figures are summarized below:

(₹ in Million)

Particulars	Consolidated		Standalone	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from Operations and Other Income	42,015.97	49,044.54	42,015.48	49,007.35
Profit before Finance Costs, Depreciation and Amortisation Expenses and Tax Expenses	4,805.54	5,137.08	4,805.54	5,125.07
Less: Finance Cost	573.09	1,291.51	573.08	1,291.51
Less: Depreciation and Amortisation Expenses	578.14	566.89	578.14	566.89
Profit before Exceptional Items and Tax	3,654.31	3,278.68	3,654.32	3,266.67
Profit/(Loss) before share of Profit/(Loss) of Joint Venture & Associates Company and Tax	3,654.31	3,278.68	3,654.32	3,266.67
Share of Profit/(Loss) of Joint Venture (net of Tax)	1.00	(0.13)	-	-
Share of Profit/(Loss) of Associate Company (net of Tax)	-	(0.00)	-	-
Profit before Tax	3,655.31	3,278.55	3,654.32	3,266.67
Tax Expenses				
-Current Tax	958.22	863.94	958.22	863.94
-Deferred tax (Credit/Charge)	(19.68)	(136.36)	(19.68)	(136.36)
Short/(Excess) Provision-Earlier Years	(17.32)	(11.94)	(17.32)	(11.94)
Profit for the Year	2,734.09	2,562.91	2,733.10	2,551.03
Other Comprehensive Income for the year, net of tax	8.78	(9.22)	9.24	(10.35)
Total Comprehensive income for the year, net of tax	2,742.87	2,553.69	2,742.34	2,540.68
Profit for the year attributable to:				
Equity Shareholders of the parent Company	2,733.07	2,562.96	2,733.10	2,551.03
Non-controlling interest	1.02	(0.05)	-	-
Total comprehensive income for the year attributable to:				
Equity Shareholder of the parent company	2,741.90	2,553.63	2,742.34	2,540.68
Non-controlling interest	0.97	0.06	-	-

REVIEW OF BUSINESS OPERATIONS ON STANDALONE BASIS

During the year, your Company achieved a turnover of ₹ 41,814.88 million as against ₹ 48,842.66 million in FY 2019-20, decline by approx. 14.39%. The decline was mainly because of lockdown restriction during first quarter of FY 2020-21 and lower revenue from EPC Segment. During the year under review, turnover from Cables & Wires stood at ₹ 35,742.11 million as compared to ₹ 39,824.13 million in FY 2019-20, turnover from Stainless Steel Wire Products was ₹ 1,416.53 million during FY 2020-21 as compared to ₹ 1,375.27 million in FY 2019-20 and Income from Turnkey Projects (excluding Cables) contributed a turnover of ₹ 4,656.24 million in FY 2020-21 as compared to ₹ 7,643.26 million in FY 2019-20. During the year under review, Profit before Tax stood at ₹ 3,654.32 million as compared to ₹ 3,266.67 million in the preceding year and Net Profit stood at ₹ 2,733.10 million as compared to ₹ 2,551.03 million in the preceding year.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Company has a subsidiary "KEI Cables Australia PTY Ltd" in Australia and an associate company with 49% ownership interest under name of KEI Cables SA (PTY) Ltd with principal place of business in South Africa. Further, Company has a Joint Venture under the name of "Joint Venture of M/s KEI Industries Ltd., New Delhi & M/s Brugg Kabel AG, Switzerland" (JV). This JV is a jointly controlled entity within the meaning of Ind AS-111 on "Financial Reporting of Interests in Joint Ventures". This JV is in the form of an Association of Persons (AOP) and the Company is having 100% share in Profit/Loss in this AOP. No share capital is invested in the Joint Venture by the respective members of JV.

Further, a report on the performance and financial position of the Subsidiary, Associate and Joint Venture is included in Note 55(A) of the consolidated financial statements pursuant to Section 129 (3) of the Companies Act, 2013 in form AOC-1.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) 110 – "Consolidated Financial Statements" and Indian Accounting Standard

(Ind AS) - 111 – "Financial Reporting of interest in Joint Venture" specified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015, and other relevant provisions of the Act.

RESERVES

During the year, the Board of Directors of your Company has decided not to transfer any amount to the reserves and decided to retain all the profits under surplus account.

DIVIDEND & APPROPRIATIONS

The Board of Directors of the Company at their meeting held on February 26, 2021 has declared an interim dividend of ₹ 2.00/- (i.e. 100%) per Equity share on the Equity shares of face value of ₹ 2/- each for the financial year 2020-21 which has resulted in cash outflow of ₹ 179.71 million. The Board has not recommended a final dividend and the interim dividend of ₹ 2.00/- per equity share declared by the Board on February 26, 2021 shall be considered as the final dividend for the Financial Year 2020-21. Thus, the total dividend for the Financial Year 2020-21 remains ₹ 2.00/- per equity share of ₹ 2/- each.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Dividend Distribution Policy of the Company had been approved by the Board of the Directors of the Company on May 17, 2018. The Dividend Distribution Policy is also available on the website of the Company at www.kei-ind.com under Investor Relations Section.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of financial year to which this financial statements relates and the date of this Report.

The extent to which the coronavirus impacts our operations will depend on future developments, which are uncertain and cannot be predicted

including the duration of the outbreak. In particular, the continued spread of the coronavirus globally could adversely impact our operations, including among others, our manufacturing and supply chain, sales and marketing.

CHANGE IN NATURE OF BUSINESS

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

RATING BY EXTERNAL RATING AGENCIES

(A) BANK FACILITIES RATING BY INDIA RATINGS AND RESEARCH PRIVATE LIMITED:

India Ratings and Research Private Limited has assigned the **IND AA-/Stable (Pronounced as IND AA Minus)** rating to Long Term Bank Facilities availed by the Company vide its letter dated June 18, 2021. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. India Ratings and Research Private Limited has assigned the **IND A1+ (Pronounced as IND A One Plus)** rating to Short Term Bank Facilities and Commercial Paper availed by the Company vide its letter dated June 18, 2021. Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.

(B) BANK FACILITIES RATING BY ICRA:

ICRA Limited has assigned the **[ICRA]A+ (pronounced ICRA A PLUS)** rating to Long Term Bank Facilities availed by the Company vide its letter dated September 04, 2020. Instrument / Facilities with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments / facilities carry low credit risk. ICRA Limited has reaffirmed the rating assigned to Short Term Bank Facilities and Commercial Paper as **[ICRA]A1 (pronounced ICRA A One)** vide its letter dated September 04, 2020. Instruments / Facilities with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments/facilities carry lowest credit risk.

(C) BANK FACILITIES RATING BY CARE:

CARE Rating Limited (CARE) has re-affirmed the rating assigned to Long Term Bank Facilities availed by the Company as **'CARE A +; Stable** (Pronounced as Single A Plus; Outlook: Stable) on September 08, 2020. Facilities with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments / facilities carry low credit risk. CARE Rating Limited (CARE) has reaffirmed the rating assigned to Short Term Bank Facilities availed by the Company as **[CARE] A1 (pronounced CARE A One)** on September 08, 2020. Instruments / Facilities with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments/facilities carry lowest credit risk.

(D) FIXED DEPOSIT RATING BY ICRA AND CARE:

ICRA Limited has assigned the rating **MA+ (pronounced MA plus)** to Medium Term Instrument i.e. Fixed Deposits Programme of the Company on September 04, 2020. MA+ indicate adequate credit quality rating assigned by ICRA. The rated deposits carry average credit risk.

Further, CARE Rating Limited (CARE) has assigned **'CARE A+ (FD) Stable;** [Pronounced as Single A Plus (Fixed Deposits) Outlook: Stable] rating to the Medium Term Instrument i.e. Fixed Deposits Scheme of the Company on September 08, 2020.

(E) CORPORATE GOVERNANCE RATING BY CARE:

Till May 31, 2020, the Company also had a Corporate Governance Rating of **"CARE CGR3+" (Pronounced as CGR three plus)** issued by CARE. Subsequently, the credit rating agencies, in terms of SEBI mandate, discontinued such rating.

GLOBAL CERTIFICATIONS

The Following are the licenses and other certification existing in your organization.

- NABL-ISO/IEC 17025: 2017
- CE MARKING (EN ISO/IEC 17020)
- RDSO (IRS S:63/2014 (REV 4)
- SABS, SANS: 1339:2017
- UL 1072 - Medium - Voltage Power Cables

UNPAID / UNCLAIMED DIVIDEND

Un-claimed / Unpaid Dividend for the Financial Year 2012-13 has been transferred to the Investor Education and Protection Fund established by the Central Government. Further, amount of Unclaimed / Un-paid Dividend for the Financial Year 2013-14 is due for deposit to the Investor Education and Protection Fund.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year under review, your Company has transferred ₹159,827/- as unclaimed / unpaid dividend in respect of financial year 2012-13 to the Investor Education and Protection Fund (IEPF) established by the Central Government, pursuant to the provisions of Section 124(5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force and as may be enacted from time to time).

Further, the total amount lying in the Unpaid Dividend Account(s) of the Company in respect of the last seven years and when such unpaid Dividend is due for transfer to Investor Education Protection Fund is disclosed in a separate section titled Report on Corporate Governance and has been included in this Annual Report.

Further, during the year under review, your Company has transferred 7,941 Equity shares into the Demat Account of Investor Education and Protection Fund held with NSDL (DPID/Client ID IN300708/10656671) and CDSL (DPID/Client ID 12047200/13676780) pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force and as may be enacted from time to time) i.e., shares on which dividend has not been claimed for seven consecutive years i.e., from FY 2012-13.

Further, the details of shareholders whose dividend and shares are transferred to Investor Education and Protection Fund are updated on the website <http://www.kei-ind.com> under Investor Relations Section.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

a) Composition

- i) As on date, Company has 10 Directors with an Executive Chairman, of the 10 Directors, 3 are Executive Directors and 7 are Non-Executive Directors including two Women Directors (including one Independent Director) and 5 other Independent Directors. The Composition of the Board is in conformity with the provisions of the Companies Act, 2013 and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ii) None of the Director on the Board is a director in more than 10 Public Companies or a member of more than 10 Committees or a Chairman of more than 5 Committees across all listed companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other Public Limited Companies as on March 31, 2021 have been disclosed by all the Directors of the Company.
- iii) None of the Whole-time Key Managerial Personnel (KMP) of the Company is holding office in any other Company as a Key Managerial Personnel.
- iv) Further, none of the Directors / KMP of the Company is disqualified under any of the provisions of the Companies Act, 2013 and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b) Change in Director(s) and Key Managerial Personnel

- (i) As per Section 152 of the Companies Act, 2013 and other applicable provisions of the Act, Mrs. Archana Gupta (**holding DIN: 00006459**), Director of the Company (designated as Non-Executive Non-Independent Director) of the Company, who retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.
- (ii) Further, based on the recommendation of the Nomination and Remuneration Committee,

the Board of Directors of the Company at their Meeting held on May 29, 2021 has re-appointed Mr. Anil Gupta (holding DIN: 00006422) as Chairman-cum-Managing Director of the Company for a further term of 3 (Three) years w.e.f. July 1, 2021 to June 30, 2024 in accordance with the provisions of Section 196 and 197 of the Companies Act, 2013 read with Schedule V and Rules made thereunder and other applicable provisions of the Companies Act, 2013, if any. His re-appointment requires the approval of the shareholders at the ensuing Annual General Meeting. The details of Directors being recommended for appointment / re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is contained in the accompanying Notice convening ensuing Annual General Meeting of the Company. Appropriate Resolution(s) seeking shareholders' approval is also included in the Notice.

c) Declaration by Independent Directors

All the Independent Directors of the Company have given their declaration for the FY 2020-21 that they continue to meet all the criteria as specified under Section 149(6) & (7) of the Companies Act, 2013 and under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that they are independent of the management in respect of their position as an "Independent Director" in the Company.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors of the Company duly met 5 (Five) times during the financial year from April 01, 2020 to March 31, 2021 on May 30, 2020, August 06, 2020, November 02, 2020, January 28, 2021, and February 26, 2021.

As per the relaxation given by MCA and SEBI due to the Covid-19 pandemic, all the Board meetings of the company during the year under review were held through video conferencing.

Further, during the year, a separate meeting of the Independent Directors of the Company was held on March 27, 2021 to discuss and review the performance of all other non- Independent Directors, Chairperson of the Company and the Board as a whole and for reviewing and assessing

the matters as prescribed under Schedule IV of Companies Act, 2013 and under Regulation 25(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CHANGE IN CAPITAL STRUCTURE

During the year, Share Allotment Committee of the Board of Directors has issued and allotted 3,51,000 equity shares of face value of ₹2/- each to eligible employees under KEI Employees Stock Option Scheme 2015. Accordingly, the paid-up share capital of the Company has increased from 89,504,438 Equity shares of face value of ₹2/- each to 89,855,438 Equity shares of face value of ₹2/- each.

FORMAL ANNUAL EVALUATION

As the ultimate responsibility for sound governance and prudential management of a Company lies with its Board, it is imperative that the Board remains continually pro-active and effective. An important way to achieve this objective is through an annual evaluation of the performance of the Board, its Committees and all the individual Directors.

The Companies Act, 2013 not only mandates Board and Directors evaluation, but also requires the evaluation to be formal, regularized and transparent. SEBI has also notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015') on 2nd September, 2015, whereby it has aligned the present Listing Agreement with the Companies Act, 2013.

In accordance with the provisions of the Companies Act, 2013 and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 29, 2021 undertook an annual evaluation of the performance of the Board, its Committees and all the individual Directors.

Directors were evaluated on aspects such as attendance, contribution at Board/Committee meetings and guidance/support to the management outside Board/Committee meetings. The Committees of the Board were assessed on the degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the whole Board. The

performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board, its Committees and the Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013 in respect of Directors' Responsibility Statement, the Directors to the best of their knowledge hereby state and confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) 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;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) 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.

DETAILS IN RESPECT OF FRAUD REPORTED BY THE AUDITORS

The Company detected that some of the employees, in connivance with certain dealers, misappropriated Cables/Wires, having an estimated value of ₹ 12.12 million. Company took immediate action by getting an FIR against the offenders and the matter is being investigated by the Police. Company is hopeful of recovery of the amount and has taken suitable steps, so that such instances do not occur in the future.

NOMINATION AND REMUNERATION POLICY

The Company has framed a Nomination and Remuneration Policy pursuant to Section 178 of the Companies Act, 2013 and Regulation 19(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Specified in Part D of the Schedule II).

The detailed Nomination & Remuneration Policy is annexed as **Annexure A** and forms part of this Report and is also available on the website of the Company at www.kei-ind.com under Investor Relations Section.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013 the Annual Return as on March 31, 2021 is available on the website of the Company at www.kei-ind.com under Investor Relations Section.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company has well defined Enterprise-wide Risk Management (ERM) framework in place for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy. The primary objective of ERM function is to implement a framework that augments risk response decisions and reduce surprises. ERM Programme involves risk identification, assessment and risk mitigation planning for strategic, operational, financial and compliance related risks across various levels of the organization.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. These systems are routinely tested by Statutory as well as Internal Auditors and cover all offices, factories and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. Further, the Risk Management Policy has also been uploaded on the Company's website and is available at www.kei-ind.com under Investor Relations Section.

FIXED DEPOSITS

During the year, an amount of ₹85.33 million was received by the Company as fixed deposit. As on March 31, 2021 fixed deposit aggregating to ₹116.48 million are outstanding. There are no fixed deposits

remaining unpaid or unclaimed as at the end of the year. Further, no amount of principal or interest was outstanding or in default as on March 31, 2021.

LISTING OF SHARES

The shares of the Company are listed at National Stock Exchange of India Limited (NSE), BSE Limited (BSE) and The Calcutta Stock Exchange Limited (CSE). The Company has paid its up-to-date listing fees to all the stock exchanges.

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

During the year, there was no significant and material order passed by any Regulator(s) or Court(s) or Tribunal(s) impacting the going concern status and future operations of the Company.

ADEQUACY OF INTERNAL FINANCIAL CONTROL

In the opinion of the Board, your Company has in place an adequate system of internal control commensurate with its size and nature of business. This system provides a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies. The Board has appointed M/s Jagdish Chand & Co., Chartered Accountants as Internal Auditors of the Company for the financial year 2021-22 and its audit reports are submitted directly to the Audit Committee of Board which reviews and approves performance of internal audit function and ensures the necessary checks and balances that may need to be built into the control system.

HUMAN RESOURCES

Company's industrial relations continued to be harmonious during the period under review.

POLICY ON MATERIAL SUBSIDIARY

The Company has framed a Policy on Material Subsidiary under Regulations 16(1)(C) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 which is available on the website of the Company at www.kei-ind.com under Investor Relations Section.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

AUDIT COMMITTEE

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the composition of the Audit Committee is as under:

Sl. No.	Name of the Director	Category	Profession
1.	Mr. Pawan Bholusaria	Independent Director (Chairman)	Chartered Accountant
2.	Mr. Kishan Gopal Somani	Independent Director (Member)	Chartered Accountant
3.	Mr. Vikram Bhartia	Independent Director (Member)	Business
4.	Mr. Sadhu Ram Bansal	Independent Director (Member)	Ex-Banker (Former Chairman & MD of Corporation Bank)

Mr. Kishore Kunal, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

Further, the Board has not denied any recommendation of Audit Committee during the Financial Year.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 22 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company has established a Vigil Mechanism/ Whistle Blower Mechanism and oversees through the Audit Committee, the genuine concerns expressed by the employees and Directors of the Company. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company. During the year under

review, no personnel has been denied access to the Audit Committee.

Further, the Vigil Mechanism/ Whistle Blower Policy have been uploaded on the website of the Company at www.kei-ind.com under Investor Relations Section.

SHARES

a. BUY BACK OF SECURITIES

During the year under review, the Company has not bought back any of its securities.

b. SWEAT EQUITY

During the year under review, the Company has not issued any Sweat Equity Shares.

c. BONUS SHARES

During the year under review, no Bonus Shares were issued by the Company.

d. EMPLOYEES STOCK OPTION PLAN

During the year, Share Allotment Committee of the Board has allotted 3,51,000 Equity Shares of face value ₹2/- each to eligible employees of the Company at an exercise price of ₹ 225/- per share pursuant to KEI Employee Stock Option Scheme, 2015.

AUDITORS

a) Statutory Auditors:

M/s. PAWAN SHUBHAM & CO., Chartered Accountants (Firm Registration Number 011573C) were appointed as Statutory Auditors of the Company at the Annual General Meeting (AGM) held on July 19, 2017 for a term of five consecutive years i.e., from the conclusion of 25th AGM till the conclusion of 30th AGM of the Company to be held in the year 2022 pursuant to Section 139 of the Companies Act, 2013.

Statutory Auditors' Report

The observations / comments of Statutory Auditors in their Auditor's Report are self-explanatory and therefore do not call for any further clarification / comment.

b) Cost Auditor:

Your Board of Directors has re-appointed M/s. S. Chander & Associates, Cost Accountants (Membership No.: 9455) as Cost Auditor of the Company to conduct audit of Cost Records maintained by the Company for the Financial Year 2021-22 in accordance with Section 148

and the Companies (Cost Records and Audit) Rules, 2014 after obtaining his consent and certificate under Section 139, 141 and 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 where they have confirmed their consent and eligibility to act as Cost Auditors of the Company.

Your Company has maintained cost records and accounts as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

Cost Audit Report

There are no qualifications, reservations or adverse remarks made by Cost Auditors in their Report for FY 2020-21. Further, the Cost Audit Report for the FY 2019-20 was filed on September 05, 2020 and for the FY 2020-21 the Cost Audit Report to be filed within due date.

c) Secretarial Auditors

The Board of Directors has appointed Mr. Sumit Batra (Membership No. FCS - 7714 & CP No. - 8072), Proprietor of S.K. Batra & Associates, Practicing Company Secretaries, as Secretarial Auditors of the Company pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding rules made thereunder for conducting Secretarial Audit of the Company for the financial year 2021-22.

Secretarial Audit Report

The Secretarial Audit Report for the FY 2020-21 as submitted by Secretarial Auditors in Form MR-3 is annexed to this Report as **Annexure B** and form part of this report.

There are no qualifications, reservations or adverse remarks made by Secretarial Auditors in their Report.

Annual Secretarial Compliance Report

The Annual Secretarial Compliance Report for the financial year ended March 31, 2021 on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, was obtained from M/s S.K. Batra & Associates, Secretarial Auditors, and submitted to the stock exchanges.

CORPORATE SOCIAL RESPONSIBILITY

The Company has framed a Policy on Corporate Social Responsibility pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014

which is available on the website of the Company at www.kei-ind.com under Investor Relations Section.

The Annual Report on Company's CSR activities of the Company as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure C** and forms part of this report.

LOAN(S), GUARANTEE(S) OR INVESTMENT(S)

During the year, your Company has duly complied with the provisions of Section 186 of the Companies Act, 2013. The particulars of Loan given, Corporate Guarantees provided and Investment made by the Company during the year are as follows:

Sl. No.	Particulars of Loan given, Corporate guarantees and Investment made u/s 186 of the Companies Act, 2013	Amount (₹ in million)
1.	Loan of AUD 10,000 given to Subsidiary namely "KEI Cables Australia Pty Ltd".	0.52
2.	First Loss Default Guarantee in favour of IndusInd Bank Limited against Channel Financing Facility provided to the Dealers of the Company.	400.00
3.	First Loss Default Guarantee in favour of Yes Bank Limited against Channel Financing Facility provided to the Dealers of the Company.	625.00
4.	First Loss Default Guarantee in favour of IDBI Bank Limited against Channel Financing Facility provided to the Dealers of the Company.	300.00
Total		1325.52

PREVENTION OF SEXUAL HARASSMENT

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company. Your Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

In accordance with "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" and in order to provide for the effective enforcement of the basic human right of gender equality and guarantee against sexual harassment and abuse, more particularly against

sexual harassment at work places, your Company has constituted an Internal Complaint Committee and adopted a policy on Prevention of Sexual Harassment at Workplace. The policy aims to provide the effective enforcement of basic human right of gender equality and guarantee against sexual harassment and abuse.

During the year, there was no complaint lodged with the Internal Complaint Committee, formed under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013".

REMUNERATION OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required under Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure D** and forms part of this Report.

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

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and Outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure E** and forms part of this Report.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the Financial Year, the Company has not entered into any materially significant related party contracts/ arrangements or transactions with the Company's promoters, Directors, management or their relatives, which could have had a potential conflict with the interests of the Company. All the contracts/arrangements or transactions entered into by the Company with Related party(ies) are in conformity with the provisions of the Companies Act, 2013.

The particulars of every contract or arrangement if entered into by the Company with the related parties referred to in sub - section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form AOC - 2 in **Annexure F** and forms part of this Report.

The Company presents a statement of all related party contracts / arrangements or transactions

entered into by the Company before the Audit Committee for its consideration and review on quarterly basis.

Further, the Policy on materiality of Related Party Transactions as formed and approved by the Audit Committee and the Board of Directors as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on the website of the Company at www.kei-ind.com under Investor Relations Section.

CORPORATE GOVERNANCE

Your Directors are pleased to report that your Company strives to ensure that best corporate governance practices are identified, adopted and consistently followed. Your Company believes that good governance is the basis for sustainable growth of the business and for enhancement of stakeholder's value.

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate Section titled Report on Corporate Governance has been included in this Annual Report and the certificate of M/s Pawan Shubham & Co., Chartered Accountants, the statutory auditors of the Company certifying compliance with the conditions of corporate governance as stipulated under relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is obtained and annexed with the report on Corporate Governance.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section and forms part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT

In terms of Regulation 34(2)(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, detailed information on the initiatives taken by the Company from an environmental, social and governance perspective is provided in the Business Responsibility Report which forms part of this Report.

APPRECIATIONS

Your Directors place on record their sincere appreciation for significant contribution made by employees of the Company at each level, through their dedication, hard work and commitment.

This Financial Year has seen the outbreak of a global pandemic which has sent tremors in all sectors of the economy. Your Company is no exception and is fighting the adversities. Yet, the trust that it has gained over the years has been of immense additional support. The continued co-operation and support of its loyal customers has enabled the Company to make every effort in understanding their unique needs and deliver maximum customer satisfaction. Our employees at all levels, have been core to our existence and their hard work, co-operation and support is helping us as a company face all challenges. Our vendors, who form a part of our global footprint reinforce our presence across the globe and relentlessly push forward in establishing the KEI brand. Our Company is always grateful for their efforts.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

The Board places on record its appreciation for the continued co-operation and support extended to the Company by various Banks, Stock Exchanges, NSDL and CDSL. The Board wishes to express its grateful appreciation for the assistance and co-operation received from Vendors, Customers Consultants, Banks, Financial Institutions, Central and State Government bodies, Dealers, and other Business Associates. The Board deeply acknowledges the trust and confidence placed by the consumers of the Company and, above all, the shareholders.

**For and on behalf of
Board of Directors of KEI Industries Limited**

(ANIL GUPTA)
Chairman-cum-Managing Director
DIN: 00006422

Date: July 31, 2021
Place: New Delhi

NOMINATION AND REMUNERATION POLICY

1. INTRODUCTION:

In the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel and other employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of Section 178 of the Companies Act, 2013 read with applicable rules made thereunder and clause 49 of the Listing Agreement with the stock exchanges (as amended from time to time), this policy for nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration/ Compensation Committee and approved by the Board of Directors of the Company.

2. DEFINITIONS:

- i) **'Act'** means the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force).
- ii) **'Company'** means "KEI Industries Limited".
- iii) **'Board of Directors' or 'Board'**, in relation to the Company, means the collective body of the directors of the Company.
- iv) **'Committee'** means the Nomination and Remuneration Committee constituted by the Board of Directors of the Company in accordance with the provisions of Section 178 of the Companies Act, 2013 and rules made thereunder and Clause 49 of Listing Agreement.
- v) **'Policy'** means "Nomination and Remuneration Policy".
- vi) **'Key Managerial Personnel'** means
 - a) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
 - b) Chief Financial Officer;
 - c) Company Secretary; and
 - d) Such other officer as may be prescribed.
- vii) **'Senior Management'** means the personnel

of the Company who are the members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors i.e. Vice President Cadre.

3. INTERPRETATION:

Words and expressions used in this policy and not defined herein shall have the same meaning assigned to them in the Companies Act, 2013, Listing Agreement and/or any other SEBI Regulation(s) as amended from time to time.

4. OBJECTIVE:

The objective of this policy is to ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate human resource including Directors of the quality to run the Company successfully;
- relationship of remuneration to performance is transparent and meets appropriate performance benchmarks;
- remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed/ incentive pay reflecting short term and long term performance objectives appropriate to the working of the Company and its goals; and
- ensure a transparent Board Nomination Process with the diversity of thought, experience, knowledge, prospective and gender in the Board.

5. ROLE OF THE COMMITTEE:

- a) To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel, Senior Management and other employees of the Company.
- b) To formulate criteria for evaluation of Independent Directors and the Board.
- c) To carry out evaluation of every Directors' performance.
- d) To devise a policy on Board diversity.

- e) To Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- f) To formulate suitable Employee Stock Option Scheme in terms of SEBI (ESOS & ESPS) Guidelines, 1999 (as amended from time to time) for the benefit of employees and Directors of the Company.
- g) To adopt rules and regulations for implementing the Scheme from time to time.
- h) To frame suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (as amended from time to time) and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 (as amended from time to time), by the Company and its employees, as applicable.
- i) To consider such other matters as the Board may specify and other areas that may be brought under the purview / role of Committee as specified in Listing Agreement and the Companies Act, 2013 as and when amended.
- j) To perform such other functions as may be necessary or appropriate for the performance of its duties.

6. APPLICABILITY:

- a) Directors (including Executive, Non-Executive and Independent Directors);
- b) Key Managerial Personnel;
- c) Senior Management and Other Employees of the Company.

7. APPOINTMENT AND REMOVAL OF DIRECTOR(S), KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT AND OTHER EMPLOYEES:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment

as Managing Director/ Whole-time Director/ Manager/ Non-executive/ Executive Director/ Independent Director/ KMP/ Senior Management and shall recommend to the Board his /her appointment.

- The Committee has discretion to decide whether qualification, expertise and experience possessed by a person who is considered to be appointed is sufficient / satisfactory for the concerned position.
- The integrity, qualification, expertise and experience of other employees shall be determined by HR Department in accordance with HR Policy of the Company.

i) TERM / TENURE:

a) **Managing Director/ Whole-time Director/ Manager:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole-time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) **Executive/ Non-Executive / Independent Director and KMP:**

Executive/ Non-executive / Independent Director and KMP shall be appointed or re-appointed in the Company in accordance with the provisions of Companies Act, 2013 and Listing Agreement.

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of special resolution by the Company in its General Meeting and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it will be ensured that number of Boards on which such Independent Director serves is restricted to seven listed Companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

A Whole-time KMP of the Company shall not hold office in more than one Company except in its Subsidiary Company at the same time. However, a whole-time KMP can be appointed as a Director in any Company after obtaining consent of the Board.

ii) RETIREMENT/ REMOVAL:

The Director(s)/ KMP shall retire/remove as per the applicable provisions of the Companies Act, 2013 and the prevailing HR Policy of the Company by the Board after obtaining recommendation from the Committee after recorded reason in writing. The Senior Management and other employees of the Company shall appoint/ retire/remove as per prevailing HR Policy of the Company.

The Board will have the discretion to retain the Director(s), KMP, Senior Management and employees of the Company in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

8. REMUNERATION OF DIRECTORS, KMP, SENIOR MANAGEMENT AND OTHER EMPLOYEES:

i) Remuneration to Directors, KMP and other Employees:

1. Fixed pay:

Directors and KMP shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of Committee in accordance with the statutory provisions of the Companies Act, 2013, and the Rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, Commission, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the

shareholders and Central Government, wherever required.

2. Minimum Remuneration:

If, in any Financial Year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of Central Government.

3. Provisions for excess remuneration:

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Apart from the Directors, the remuneration and annual increments of Key Managerial Personnel and Senior Management shall be determined by the Human Resource Department of the Company in consultation with the Managing Director and Whole time Director and the same shall be reported to Nomination and Remuneration Committee.

Apart from the Directors, Key Managerial Personnel and Senior Management, the remuneration for rest of the employees will be determined on the basis of role and position of an individual employee, including professional experience, performance, responsibility, job complexity and local market conditions. The annual increments to the remuneration paid to the employees shall be determined based on the annual appraisal carried out by the Human Resource Department and HODs of various departments.

Pursuant to the provisions of Companies Act 2013 and Listing Agreement, all the Executive Director(s), Managerial Personnel (except promoters), KMP, Senior Management, and employees of the Company shall be entitled

to any Employee Stock Options under ESOS/ ESPS of the Company, in accordance with the provisions of Companies Act 2013, Listing Agreement and other Act, Rule(s), Circular(s), Regulations as prescribed by the SEBI from time to time.

II) **Remuneration to Non-Executive / Independent Directors:**

a. **Sitting Fees:**

The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof, provided that the amount of such fees shall not exceed the maximum amount as provided in the Article of Association of the Company and Companies Act, 2013 for each meeting of the Board/ Committee or such amount as may be prescribed by the Central Government from time to time.

b. **Limit of Remuneration/ Profit Linked Commission:**

Remuneration /profit linked Commission may be paid within the monetary limit as approved by the shareholders.

c. **Stock Options:**

Non-Executive Director(s) shall be entitled to any Employee Stock Options under ESOS/ ESPS of the Company, in accordance with the provisions of Companies Act 2013, Listing Agreement and other Act, Rule(s), Circular(s), Regulations as prescribed by the SEBI from time to time.

An Independent Director shall not be entitled to any stock option.

III) **Remuneration to Directors in Other Capacity:**

The remuneration payable to Directors including Managing/ Whole-time Director/ Manager shall be inclusive of the remuneration payable for the services rendered by them in any other capacity except following:

- The services rendered are of a professional nature; and
- In the opinion of the Committee,

the Director possesses the requisite qualification for the practice of the profession.

9. **EVALUATION OF DIRECTORS:**

The Committee shall carry out evaluation of performance of every Director on the Board of the Company individually and the Board as a whole and various Committees of the Board in the Company on annual basis as required under Section 178 of the Companies Act, 2013.

The performance evaluation of Independent Directors(s) shall be done by the entire Board of Directors (excluding the director being evaluated) as per Clause 49 of the Listing Agreement.

The Board/ Committee may take advice of an independent professional consultant for developing the methodology to be used for evaluation on the basis of best standards and methods meeting international parameters.

10. **MINUTES OF COMMITTEE MEETING:**

Proceedings of all meetings shall be minuted and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting. Minutes of the Committee meeting will be circulated at the subsequent Board and Committee meeting for noting.

11. **AMENDMENT TO THE POLICY:**

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification, circular(s) etc.

12. **DISCLOSURE:**

The details of this Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report therein and the same shall be put up on the website of the Company and reference drawn thereto in the Annual Report.

FORM NO. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021**

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

The Members

KEI Industries Limited

L74899DL1992PLC051527

D-90, Okhla Industrial Area,

Phase-1, New Delhi -110020

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

Based on the verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 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 **KEI Industries Limited** ("the Company") for the financial year ended on 31st March, 2021, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowing to the extent applicable;
- v) The following Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act"), to the extent applicable:
 - a) SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b) SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) SEBI (Share Based Employee Benefits) Regulations, 2014;
 - e) SEBI (Issue and listing of Debt securities) Regulations, 2008 [**Not Applicable for the FY 2020-21**];
 - f) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 [**Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the Financial year 2020-2021**];
 - g) The SEBI (Delisting of Equity Shares) Regulations, 2021 [**Not Applicable for the FY 2020-21**];
 - h) The SEBI (Buyback of Securities) Regulations, 2018 [**Not Applicable for the FY 2020-21**];
 - i) SEBI (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013; (**Not applicable for the F.Y. 2020-21**)
 - j) SEBI (Depositories and Participants) Regulations, 2018
 - k) The SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015) and

- vi) We have also examined compliance with the applicable clauses of the followings:
- Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2).
 - The Listing Agreements entered into by the Company with the Stock Exchanges in India in pursuance to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We have relied on the representation made by the Company and its officers for the systems and mechanisms formed by the Company for compliances under applicable Act, Rules, laws and Regulations to the Company. The list of major head or groups of Acts, Rules, Laws and Regulations as applicable to the Company is mentioned below:

- Employee State Insurance Act, 1948
- The Employees Provident Funds and Miscellaneous Provisions Act, 1952
- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act, 1972
- The Maternity Benefit Act, 1961
- The Employees Compensation Act, 1923
- The Apprentices Act, 1961
- Equal Remuneration Act, 1976
- The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
- Environment Protection Act, 1986 and other Environmental Laws
- Factories Act, 1948
- Indian Contract Act, 1872
- Industrial Dispute Act, 1947
- Minimum Wages Act, 1948
- Payment of Wages Act, 1936
- Contract Labour (Regulation & Abolition) Act, 1970
- Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013
- Industrial Employment (Standing Orders) Act, 1946 and other applicable labour laws

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

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 meeting.

- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures and compounding wherever found necessary.

We further report that during the audit period,

The Company has made allotment of 3,51,000 equity shares under "KEI-Employees Stock Option Scheme-2015" pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014.

We further report that during the audit period, there were no instances of:

- (i) Redemption/Buy-back of securities.
- (ii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- (iii) Merger / Amalgamation / Reconstruction etc.
- (iv) Foreign Technical Collaborations.

Place: New Delhi

Dated: June 18, 2021

Peer Reviewed Unit - UIN: S2008HR108100

UDIN: F007714C000484102

CS SUMIT KUMAR
PROPRIETOR
S.K. BATRA & ASSOCIATES
COMPANY SECRETARIES
CP NO.: 8072, FCS NO. 7714

This Report is to be read with the letter of even date which is annexed as Annexure-1 and forms an integral part of this Report.

Note: In view of the second wave of the COVID19 pandemic and as per the guidance issued by the Institute of Company Secretaries of India (ICSI) for carrying out professional assignments, Secretarial Audit Report in term of section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 is issued by using appropriate Information Technology tools by virtual data sharing by way of the Company's on Google Drive and emails to access and examine relevant documents for completion of the audit.

The Members
KEI Industries Limited
L74899DL1992PLC051527
D-90, Okhla Industrial Area,
Phase-1, New Delhi -110 020

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

We report that :-

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 Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in a Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi
Dated: June 18, 2021

CS SUMIT KUMAR
PROPRIETOR
S.K. BATRA & ASSOCIATES
COMPANY SECRETARIES
CP NO.: 8072, FCS NO. 7714

ANNUAL REPORT ON CSR ACTIVITIES (FY: 2020-21)

1. Brief outline on CSR Policy of the Company:

The CSR policy framed by the CSR Committee (constituted by the Board) has been approved by the Board of Directors at its meeting held on August 08, 2014 in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014.

In accordance with schedule VII of the Companies Act, 2013, for enhancing the stakeholders' value, generating economic value of the nation and working towards well-being of the society, the CSR Policy covers certain projects/activities such as mid-day meals, supporting education, healthcare and food services for underprivileged children of the society.

The detailed CSR Policy is available on the website of the Company at www.kei-ind.com under Investors Relation Section.

2. The Composition of the CSR Committee:

The composition of the CSR Committee formed in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2015 is as under:

Sl. No.	Name of the Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee Attended during the year
1.	Mr. Pawan Bholusaria	Independent Director (Chairman)	4	4
2.	Mr. Anil Gupta	CMD (Member)	4	4
3.	Mr. Rajeev Gupta	ED (Finance) & CFO (Member)	4	4

Mr. Kishore Kunal, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

- Composition of CSR Committee: <https://www.kei-ind.com/our-company/kei-power-gallery/>
- CSR Policy approved by the Board of Directors: <https://www.kei-ind.com/investor-relations/disclosure-policies/policies-and-codes/>
- CSR Projects: <https://www.kei-ind.com/investor-relations/investors/annual-csr-plan/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable

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.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
Not Applicable			

6. Average net profit of the company as per section 135(5): ₹ 2716.48 million**7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 54.33 million**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**(c) Amount required to be set off for the financial year, if any: **Nil**(d) Total CSR obligation for the financial year (7a+7b-7c): **₹ 54.33 million****8. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (₹ in million)	Amount Unspent (₹ in million)				
	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
31.15	Not Applicable				

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

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

(₹ in million)

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number*
1	Eradicating Extreme Hunger and Poverty	CI (i)	Yes	Delhi	New Delhi	15.00	No	International Society for Krishna Consciousness (ISKCON)	NA
2	Promoting Health Care	CI (i)	Yes	Delhi	New Delhi	3.24	No	Rotary Foundation (India)	NA
3	Promoting Education	CI (ii)	Yes	Delhi	Delhi	2.20	No	Bharat Lok Shiksha Parishad	NA
4	Eradicating Extreme Hunger and Poverty	CI (i)	Yes	Rajasthan	Bhiwadi	2.10	No	Bhiwadi Manufacturers Association	NA
5	Promoting Education	CI (ii)	Yes	Telangana	Siddipet	1.50	No	Sri Vidya Saraswathi Sri Shani Temples	NA
6	Promoting Education	CI (ii)	Yes	Gujarat	Saputara	1.50	No	Shri Bhartiya Sanskruti Samvardhak Trust	NA
7	Promoting Education	CI (ii)	Yes	Uttar Pradesh	Jewar	1.00	No	The Kalptaru Society	NA
8	Eradicating Extreme Hunger and Poverty	CI (i)	No	Rajasthan	Salasar	0.75	No	Salasar Dham Vikas Samiti	NA
9	Disaster Management	CI (xii)	Yes	Delhi	New Delhi	0.50	No	Sewa Bharti	NA
10	Promoting Health Care	CI (i)	Yes	Rajasthan	Bhiwadi	0.40	No	Rotary Club of Bhiwadi	NA

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation- Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number*
11	Animal Welfare	CI (iv)	Yes	Delhi	Delhi	0.27	No	Maharishi Dayanand Gosamwardhan Kendra	NA
12	Promoting Education	CI (ii)	Yes	Delhi	New Delhi	0.25	No	Lakshya Foundation	NA
13	Promoting Healthcare Including Preventive Healthcare	CI (i)	Yes	Assam	Dibrugarh	0.20	No	Centre for North East Studies and Policy Research	NA
14	Disaster Management	CI (xii)	Yes	Arunachal Pradesh	Changlang	0.05	Yes	KEI Industries Limited	NA
15	Promoting Education	CI (ii)		PAN-India	PAN-India	2.19	Yes	KEI Industries Limited	NA
	Total					31.15			

* CSR registration will be obtained within the prescribed timeline, wherever applicable, as per the CSR Amendment Rules. The requirement does not apply to CSR projects or programs approved prior to April 01, 2021.

- (d) Amount spent in Administrative Overheads: **Not Applicable**
- (e) Amount spent on Impact Assessment, if applicable: **Not Applicable**
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 31.15 million**
- (g) Excess amount for set off, if any: **Not Applicable**

Sl. No.	Particular	Amount (₹ in million)
(i)	Two percent of average net profit of the company as per section 135(5)	—
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

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

(₹ in million)

Sl. 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	2020-21	Not Applicable, as CSR amendment rule applicable w.e.f. April 01, 2021					
2	2019-20						
3	2018-19						

* Unspent amount of previous Financial Years (including reporting Financial Year)- ₹ **36.25 million**

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

Sl. 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
Not Applicable, as the concept of ongoing project has been introduced in the CSR Amendment Rules, w.e.f April 01, 2021.								

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)- **Not Applicable**(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. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

The Company would be meeting its CSR obligation during Financial Year 2021-22, including the amount unspent in line with the progress of the relevant projects.

(ANIL GUPTA)

Chairman-cum-Managing Director
DIN: 00006422

(PAWAN BHOLUSARIA)

Chairman of CSR Committee
DIN: 00092492

Date: July 31, 2021
Place: New Delhi

ANNEXURE - D

A) Details pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Clause under Rule 5(1) : (i), (ii)		
Name of Director / KMP and Designation	Ratio of remuneration of each Director/ to median remuneration of employees	% increase in Remuneration in the FY 2020-21*
Mr. Anil Gupta (Chairman-cum-Managing Director)	35:1	None
Mr. Rajeev Gupta [(Executive Director (Finance) & CFO)]	19:1	None
Mr. Akshit Diviaj Gupta (Whole Time Director)	12:1	None
Mr. Kishore Kunal [AVP (Corporate Finance) & Compliance Officer]	6:1	None

Clause under Rule 5(1)	Prescribed Requirement	Particulars
(iii)	Percentage increase in the median remuneration of employees in the financial year	None*
(iv)	Number of permanent employees (excluding workers) on the rolls of Company (on roll & fixed term appointment)	1819
(viii)	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	i) Average percentage increase in the salaries of employees other than the managerial personnel - NIL ii) Average percentage increase in the salaries of managerial personnel - Nil
(xii)	Affirmation that the remuneration is as per the remuneration policy of the Company	It is hereby affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Nomination and Remuneration Policy of the Company.

* No increase during FY 2020-21 because of COVID-19 pandemic. Further, the CMD of the Company has forgone his 50% salary during FY 2020-21.

Note: Above information of remuneration/salary excludes commission & gratuity paid to CMD and value of ESOP to Director/KMP/Employees.

B) The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is furnished hereunder:

Sr. No	Name and Designation	Total Gross Remuneration (In million)**	Nature of Employment	Qualification	Experience (in years)	Date of commencement of employment in the Company	Age (in years)	Last Employment held before joining the Company
1	Mr. Anil Gupta, CMD	93.76	Permanent	B. Com	40	31/12/1992	62	NA
2	Mr. Rajeev Gupta, ED (Finance) & CFO	27.75	Permanent	B.com (Hons.), CA	28	14/12/1993*	57	NA
3	Mr. Manoj Kakkar, Executive Director (Sales & Marketing)	14.85	Permanent	B.com, PGDM (Marketing)	32	18/12/1990	52	Premier Cable
4	Mr. Lalit Sharma, COO	12.70	Permanent	B.Tech. (E&C)	25	10/09/2007	46	Plaza Group
5	Mr. Manish Mantri, Sr. VP (EPC)	10.85	Permanent	B.E. (Chemical)	26	24/01/2012	51	RR Kabel Ltd.
6	Mr. K C Sharma, Sr. VP (Operations)	10.22	Permanent	Diploma (Electrical)	39	17/01/1994	61	Victor Cables
7	Mr. Adarsh Kumar Jain, AVP (Finance)	9.96	Permanent	B.Sc., CA	24	16/09/2002	46	Jagdish Chand & Co.
8	Mr. Kishore Kunal, AVP (Corporate Finance) & Company Secretary	8.55	Permanent	B.com, CS, LLB	18	15/12/2004	39	Shri Rathi Steel Limited
9	Mr. Pawan Jain, VP (BD & Tendering)	8.36	Permanent	B.E. (Mechanical), M.E.(Industrial Methodology)	27	01/11/2012	52	Unitech Machines Ltd.
10	Mr. Dilip Kumar Barnwal, VP (Operations)	8.14	Permanent	B.E (Electrical)	28	24/08/2005	54	Ruchika Cables Pvt. Ltd.

Mr. Anil Gupta, CMD is relative of Mrs. Archana Gupta and Mr. Akshit Diviaj Gupta (Director) of the Company.

Except Mr. Anil Gupta, none of the above employees holds more than 2% of the paid-up capital of the Company.

* Appointed as Director w.e.f. April 21, 2006. However, he is working with the Company w.e.f. December 14, 1993.

** Total Gross remuneration also includes value of Stock Option to employees.

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is as follows:

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is as follows:

A. CONSERVATION OF ENERGY -

Steps taken for impact on conversation of energy, steps taken by the Company for utilizing alternate sources of energy and capital investment on energy conservation equipment:

Your Company regularly reviews measures to be taken for energy conservation, consumption and its effective utilization. Some of the energy conservation initiatives and steps taken for utilizing alternate source of energy during the year at different locations are given below:

- Roof Top Solar Power of 3.82 MW was installed & is operating successfully at Plants.
- Minimized generation of waste through the application of reduce, reuse and recycle principles across units.
- Started using Self cured XLPE compound to reduce the time of curing.
- All compressors were centralized and converted to Variable Frequency Drives (VFD).
- Usage of Natural gas against Diesel and Furnace Oil in Boiler to eliminate toxic emission into the environment.
- Steam boilers were replaced with Hot Water Generators in HT Plant (Bhiwadi) & Chopanki plant resulting in saving of energy & water.
- Online energy (electricity & diesel) monitoring system installed.
- Solenoid valves were attached with the capstans of the extruders to reduce the air wastage.
- PU connectors were replaced with Aluminium connectors to minimize the leakage of air.
- CFL lights were replaced with 34W & 80W LED lights.
- 50 HP and 150 HP DC motors and drive were replaced with AC motors and drive for 65 mm and 120 mm extruders.
- One High mast LED light in Rakholi and 3 in Chinchpada were installed.
- On/Off switching of plant lights is now controlled through measured Lux of Light.
- Interlocking of cooling towers fans to run only when cooling water temperature goes beyond set temperature.

CONSERVATION TOWARDS ENVIRONMENT-

- Installed Zero Liquid discharge (ZLD) Plant in Bhiwadi to treat the waste water, purify and recycle it.
- Installed Sewage Treatment Plant (STP) in all plants: - Waste water is circulated through STP and treated water is used in washrooms and gardening through separate pipelines.
- Started using pallets attached with imported copper baskets for our export consignments.
- Battens were made out of the pallets attached with imported copper baskets.
- RO waste water were used for toilets.
- PH boosters were installed in RO plant. DM plant was stopped and chemical treated water was stopped draining to ground and polluting.
- DM plant waste water is being treated in ZLD plant.
- Usage of HDPE sheet for cable drum packing for domestic supplies in place of wooden battens to save environment.

- Re-utilization of pallet wood (which are being received with export/domestic XLPE compound boxes from the supplier) for drum packing.
- Bitumen smoke purifier installed in 175 mm extruder with bitumen applicator in Chopanki plant.
- Piezo meter installed in all the plants to monitor online ground water level .

During the year, your Company has made efforts for optimal utilization of energy requirement at all plants by installing energy saving tools, equipment, plants and machinery.

B. TECHNOLOGY ABSORPTION -

a) Efforts made towards technology absorption:

During the year, your Company has made constant efforts to improve process, design and planning across all manufacturing units.

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

c) New Product Development:

- Special Cable Development
 - LT Coaxial Cable 3.5C240 SQMM.
 - Light Reflective Rubber Cable 3CX300+2CX150+1CX50.
 - Rubber Cable 3CX35+3CX10 (33KV).
 - EHV 400kV, 1C x 2500 Sq.mm Enameled copper cable.
 - Non Magnetic Double SS Tape 220kV 1Cx 2000 Sq.mm cable.
 - Stainless Steel Tape corrugation & Double Brass Tape 132kV 1C x630 SQMM.
 - 3CX300 SQMM 66KV(E) along with optical fiber.
 - 1Cx630 SQMM 110kV with optical Fibre in Metal tube.
- Flexible Aluminium cables, Aluminium FS cables, Fire rated cables, Ceramified Silicone FS wires, Cables suitable for -60 deg.C, Solar cables.
- Rubber compounds: Developed and modified compounds chemically as per European Standards for special applications as per Indian market's requirements.
- Embedded OFC for EHV Cable introduced.
- FR HDPE jacketed cable developed.
- FRLS jacket for EHV cable introduced.
- Non Magnetic Stainless Steel corrugated sheath developed.
- Bi-Color jacketed MV Cable for South African market developed.
- Round Compact 1200sq.mm Aluminum- Conductor Developed.
- Individual sheathed Triplex Cable for Australian market developed.
- Developed and manufactured 400 kV Cables.

d) Product Improvements:

- Worked towards enhancing QC and improvised on the testing equipment used in our laboratories.
- In order to enhance the quality of our products, we have developed new international vendors for special materials as per international standards and have imported them at cost effective prices.
- Nano dies introduced for Round Compact Conductor.
- New Packing developed, which is cost effective & replacing wood as packing material.

e) Process Improvement:

- Renew of ISO 9001:2015, ISO 14001:2015 & NABL- ISO/IEC 17025:2017 certification along with upgradation of OHSAS 18001:2007 to ISO 45001:2018.
- Bending test rig developed for 400 KV cable.
- Degassing checking equipment developed indigenously based on weight loss.
- Pulling eye designed and developed for vertical installation.
- Test set up developed for testing Rigidity of cable.
- Installation of Fire Extinguisher Ball.
- Laser Beam sensor for safety was installed on the high speed machines.
- EOT converted to VFD drive.
- Instead of Battens, PP sheet introduced for packing of drums.
- Master carton sealing machine introduced to avoid the theft/damage of packing.
- Fire hydrant system was installed in the plant.
- CO2 flooding system was installed in IT room and Battery room.
- 250 KVA UPS from Mitsubishi was added in the plant.
- One additional 5 T lift was installed for ease of house wire/flexible dispatches.
- High speed on-line taping before extrusion developed.
- New Process of Solar cable harnessing has been introduced in Bhiwadi plant.
- Purchasing of drawn Copper in basket form (1.60mm) rather than in 8mm Rod form for fine wire drawing.
- Replaced 1+3 Laying machine with Drum Twister (2600mm) in HT Plant to enhance the productivity of laying process.
- 72 Bobbin Armoring changed in LT Plant to enhance the productivity of armoring process.
- Expansion of Flexible and House wire in Silvassa.
- 800 mm Niehoff buncher was installed.
- All Niehoff Bunchers were modified to gear system to avoid lay variation in conductor.
- All Niehoff bunchers were connected to UPS to avoid breakage of conductors/ bow incase of power failure.
- Inhouse developed the RoHS compound which got passed from outside Lab.
- NABL Quality Assurance Laboratory Management certification was received.
- Pneumatic brakes were installed in GI rewinding take up to avoid accidents during wire breaks.
- Spare 11 KV express feeder was installed for uninterrupted power supply during HT Cable faults in monsoon season.
- New high speed (1200 rpm) concentric type copper taping line installed in Pathredi plant.
- Added 04 nos. new (630mm-02 nos., 800 mm & 1000 mm) high speed single twist machines to enhance the productivity & quality of control & instrument cables at Bhiwadi & Pathredi plants.
- Winding wire division has been shifted at new location in HT plant to add the production capacity from 150 MT CU consumption/Month to 225 MT CU consumption/month by adding 08 nos. of tapping machine and one annealing furnace.
- New EOT crane of 15 tons EOT had been added & upgraded the existing 15 tons EOT crane in HT Plant FG Yard to enhance the capacity of drum shifting .
- PVC compounding plant has been shifted at new location by adding XLPE compounding machine which is under commissioning.

- Rubber Plant CV line has been upgraded from dual extrusion to Triple extrusion & replaced all three 120 mm , 90 mm , 65 mm extruders, splice box , capston & end seal.
- New PD lab, type test & Impulse lab has been added in Pathredi plant to enhance the testing capacity.
- In Pathredi Plant 2600 mm size T/up and Pay-off has been replaced by 3800 mm to make bigger length/size in process at 150 mm-II , 84 B Armouring , and at CR no. 6.
- Niehoff make 08 wire – Multi wire drawing machine has been added in Pathredi plant to enhance the cu wire drawing capacity for control / instrumentation cable.
- EHV PD lab trolley modified to facilitate moving of heavy cable drums for testing etc.
- New high speed 19 wire double twist stranding machine from M/s Setic was installed & commissioned successfully in Pathredi plant to enhance the capacity of conductors.
- Added 32 new multi wire drawing machine in Chinchpada with additional bunches.

f) Benefits as a result of R & D Activities:

- **Special PVC Compound have been developed in house.**
 - Special FRLS : This compound withstand at (-40) degree centigrade.
 - Special ST2 : This compound can withstand at (-40) degree centigrade.
 - Special ST2(5V90- Aus std): This compound can withstand at 105 degree centigrade.
 - RoHS & REACH: Since there is demand for environment friendly compound i.e. (Lead free/ Phthalate free) so Company has developed this compound in house and the same has been certified by third party laboratory.
 - TM-55 : This compound has been developed with high abrasive resistance. It was the need of high abrasive compound in outer sheath process to withstand the rocky /hard land/ jungle Area like GOA.
 - TPE Compound : A subtype of PVC compound for lead inner sheathing.
 - Type D: Highly flexible PVC insulation grade compound used for lift cables.
 - ST3: Highly flexible PVC Sheathing grade compound used for lift cables.
 - Cadmium based orange color compound: This compound can prevent color fadeness for long time.
- **Special Rubber Compound have been developed in house.**
 - SHF-2 (LSZH) : Mud and ozone resistance compound for offshore projects.
 - SW-4 (LSZH) : Ozone resistance for offshore projects.
 - Solar Cable Compound (LSZH) : Specially made for solar cables.
 - (-40) degree and (-60) degree: Specially made for the supplies where the environment temperature goes up to minus 60 degree centigrade (European countries).
 - 35KV compound for 33KV- Working on in house development of this compound, earlier it was being imported from ATICHEM, Italy.
- Automation Developments by installing double capacity single machines such as Aluminium RBD and stranding machine with auto loading system to reduce man power, increase productivity and enhance quality.
- Base material developments in insulating materials and in-house compounding materials.
- Special Tapes for fire retardant and water blocking in cables.
- Have enabled us to now develop in house PVC compounds Resulted in Cost reduction and quality enhancement.

g) Future Plan of Action:

- Development of speciality cables as per market requirements/demands.
- Penetration into varied turnkey projects.
- Research and identify new products as per futuristic market demands.

h) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year):

- Smart sense technology adopted to monitor the live energy consumption through cloud hosted monitoring platforms.

The Company has imported machineries, which are being used for production of compact cables thereby increasing productivity and enabling design enhancements resulting in reduced consumption of raw materials.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports; initiatives taken to increase exports; development of new export markets for product; export plans:

During the financial year 2020-21, export sales of the Company declined from ₹ 8,990.59 million in financial year 2019-20 to ₹ 6,082.27 million in the financial year 2020-21. Your Company is continuing its sustained efforts to retain old customers and add new customers in various export markets. With management's focus, marketing strategies and dedicated efforts of Company's International Business Team, the Company is hopeful to maintain its export sales in the coming year.

The Company is optimistic for the international business as many potential customers are evaluating options to derisk their production and supply chain to India from other Asian countries. India may have a great opportunity Post Covid-19, as global players realign their supply chain

With objective to expand the reach of Company's products globally, the Management is focusing on increasing number of countries for its business operations, development of products as per the requirements of foreign markets, and appointment of additional agents & channel partners for export sales.

b) Total foreign exchange used and earned:

Earnings	₹ 4,974.88 million
Outgo	₹ 7,445.80 million

**For and on behalf of
Board of Directors of KEI Industries Limited**

**Place : New Delhi
Date : July 31, 2021**

**(ANIL GUPTA)
Chairman-cum-Managing Director
DIN: 00006422**

ANNEXURE - F

FORM NO. AOC.2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

NONE: DURING THE REPORTING PERIOD, ALL TRANSACTIONS WERE AT ARM'S LENGTH BASIS

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

2. Details of material contracts or arrangement or transactions at arm's length basis:

NONE: DURING THE REPORTING PERIOD, THERE WAS NO MATERIAL* CONTRACT OR ARRANGEMENT

(*As defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and adopted by the Board of Directors in the Related Party Transactions Policy of the Company, "Material Related Party Transaction" means a transaction with a related party if the transaction / transactions to be entered into individually or taken together with previous transactions during a Financial Year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.)

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

**For and on behalf of
Board of Directors of KEI Industries Limited**

**Place : New Delhi
Date : July 31, 2021**

**(ANIL GUPTA)
Chairman-cum-Managing Director
DIN: 00006422**

Management Discussion and Analysis

ECONOMIC REVIEW

Global economy

The year 2020 was marked by a global pandemic, namely novel coronavirus (COVID-19). It was spreading across the world like wildfire, to contain which, most countries closed the international borders and opted for voluntary lockdowns. This led to a halt in the economic activities around the globe and a massive disruption in the global trade. Due to these reasons, the global trade volumes contracted by 8.5% in 2020, leading to the contraction of the world economy by 3.3%. Major economies across the world saw a slowdown in economic activities, leading to a contraction of GDP to as low as 9.9% in 2020 in countries like UK.

Region-wise growth estimates (%)

Region	2019	2020 (E)	2021 (P)
World	2.8	-3.3	6
Advanced Market Economies (AMEs)	1.6	-4.7	5.1
Emerging Markets and Developing Economies (EMDEs)	3.6	-2.2	6.7

During 2020, Brent crude oil prices averaged USD 41.69 per barrel compared to USD 64 per barrel in 2019, clocking a steep y-o-y decline of ~35%. However, the crude prices are projected to recover to USD 62.26 and USD 60.74 per barrel in 2021 and 2022 respectively, on the back of consistent demand.

With the beginning of vaccine roll-outs across the world by the end of 2020, and lockdowns being lifted in a phased manner across various countries, the world economy is expected to head for a speedy recovery. Though the second wave of the COVID-19 pandemic has proved to be challenging across some countries, the world is better prepared to withstand the challenges and counter the pandemic, from the experiences gained in 2020.

With the global fiscal support up to USD 12 trillion and extensive rate cuts, coupled with liquidity injections, the global economy is expected to recover faster. In view of this optimism, the global GDP growth for 2021 and 2022 is projected at 6% and 4.4% respectively. In line with

the recovery of economy, the global trade volumes are expected to grow by 8.4% in 2021.

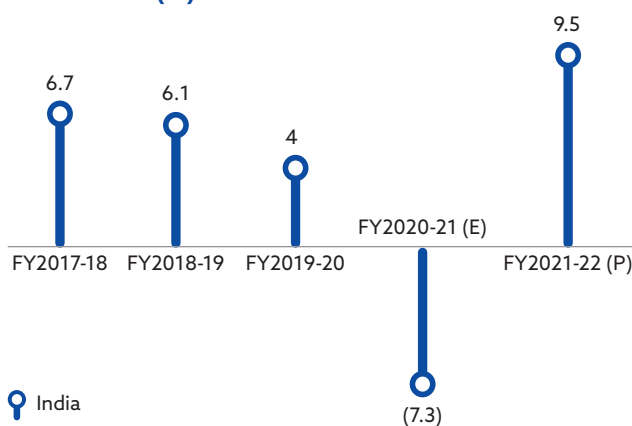
(Source: IMF, WEO, EIA)

Indian Economy

Like most other countries, to contain the spread of the virus India declared a nationwide lockdown in late-March 2020. This lockdown brought the economic activities to a standstill and disrupted the trade across the country. However, due to the various financial stimulus announced by the Government, the economy gradually started recovering post the lifting of lockdown restrictions. The Government provided two specific financial stimulus during FY 2020-21 – ₹20 trillion of COVID relief package and ₹2.65 trillion of comprehensive financial package. Further, the Reserve Bank of India opted for rate cuts twice during the fiscal and announced the moratorium extension and deferment of loan repayments, to counter the liquidity crunch across the country. The Government also announced the 'One Nation, One Ration Card' scheme in FY 2020-21, enabling migrant laborers to access basic necessities from any part of the country.

On the back of these aforementioned measures, the Indian economy saw a fast recovery in the second half of FY 2020-21. The country's GDP is estimated to have contracted by 7.3% during FY 2020-21 compared to a growth of 4% during the previous fiscal. Further, due to increasing food prices, the consumer price inflation of India was estimated at 6.2% for FY 2020-21 compared to 4.8% in FY 2019-20.

GDP Growth (%) - Year-Wise



FY 2020-21 saw the exchange rate of US dollars stand at an average between ₹72 and ₹73 per USD. Coupled with steady dollar prices, and increasing gold reserves and foreign currency assets, India's foreign exchange reserves stood at a record high of USD 590.18 billion in FY 2020-21.

The last quarter of FY 2020-21 saw a huge uproar from the second wave of the COVID-19 pandemic, which wreaked havoc across the country. To counter this, the country focused on rapid vaccination of the masses. However, starting the next fiscal at a lower GDP quantum, the country is expected to see a decent growth of 9.5% in its GDP in FY 2021-22, which was projected at 12.5% before the significant impact of the second wave. Further, the consumer price inflation of India is also expected to moderate from 6.2% in FY 2020-21 to 4.9% in FY 2021-22, owing to recovery of global trade and moderated pricing across food and all consumer durable products.

(Source: RBI, WEO)

INDUSTRY OVERVIEW

Global wire and cables industry

The global wires and cables market size was estimated at USD 183.14 billion in 2020, as per a report published by Grand View Research. It is expected to expand at a CAGR of 4.4% over 2021-28, to reach USD 260.16 billion by the end of 2028. This growth is attributable to the increasing use of cables and wires across the world for transmission and distribution of power, for incremental application in telecom sector and in data centers.

Incremental demand of wires and cables for expansion of residential and commercial infrastructure has been one of the primary drivers of the segment. Increasing urbanization and commercialization is expected to further bolster investments in the real estate industry, thereby, driving the demand for low voltage insulated wires and cables.

Indian Power Transmission and Distribution (T&D) Industry

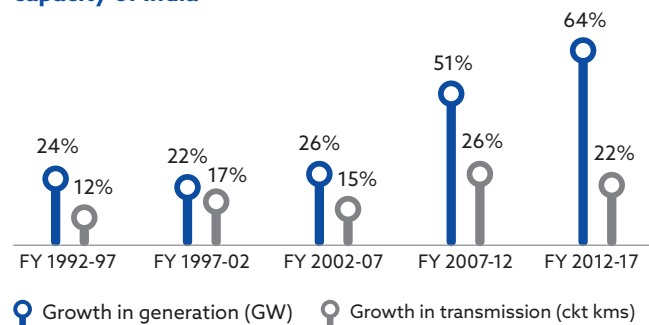
India is the third-largest producer and second-largest consumer of electricity in the world, with a total generation capacity of 382 GW in FY 2020-21. The country added 12.1 GW power generation capacity in FY 2020-21, despite the pandemic, increasing India's total power generation capacity by 1.3%. The total power generation of the country stood at 1,381.9 billion units in FY 2020-21. The energy demand in India stood at 1,275 billion units in 2020-21, with a plant load factor pegged at 53.37%.

Key demand growth drivers for the Indian power industry

- Increasing private and government investments in energy-intensive industries such as iron, steel, aluminum, cement, fertilizer and refineries
- Reviving construction industry and demand for affordable housing supported by favorable interest rates and Government schemes
- The Government's thrust to infrastructure development projects through National Infrastructure Pipeline (NIP) in key sectors such as energy, railway and metros, road and highway constructions, ports and airports, modernisations, among others
- Increasing Government focus and budgetary allocation to rural and railway electrification projects
- Rising consumption demand with rapidly increasing urbanization and disposable income levels
- Increasing agricultural output and farm incomes supporting higher rural consumption and consequently demand for more power

While power demand in the country is well poised to exhibit a notable rise, historically, capacity addition to the transmission sector has trailed the addition of power generation capacity.

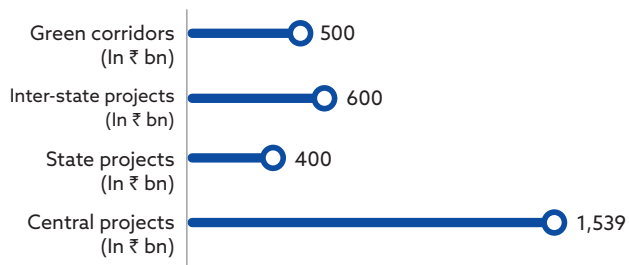
Growth in power generation and transmission capacity of India



Source: Antique Research Report

Keeping this in perspective, the Government has increased allocation to the T&D sector in the 13th Plan (2017-22) at ₹3-3.2 trillion compared to ₹2.1-2.2 trillion over the 12th Plan, creating a substantial headroom for growth in the T&D sector, and subsequently cables and wires (C&W) sector over the coming years.

Massive T&D Sector opportunity



Source: Antique Research Report

Renewable Energy Industry

While the electricity demand of the country has been steadily rising over the last decade, urgent need to lower its carbon emission levels has prompted the Government to promote a higher share of renewable energy. Renewable energy contributed 10.1% of India's total power capacity mix in FY 2020-21, compared to 9.4% in FY 2019-20, clocking a y-o-y growth of 70 bps.

The renewable energy is poised to grow further as the Government has targeted an ambitious goal of achieving 175 GW renewable energy generation by 2022 and 500 GW by 2030. It has announced several initiatives such as

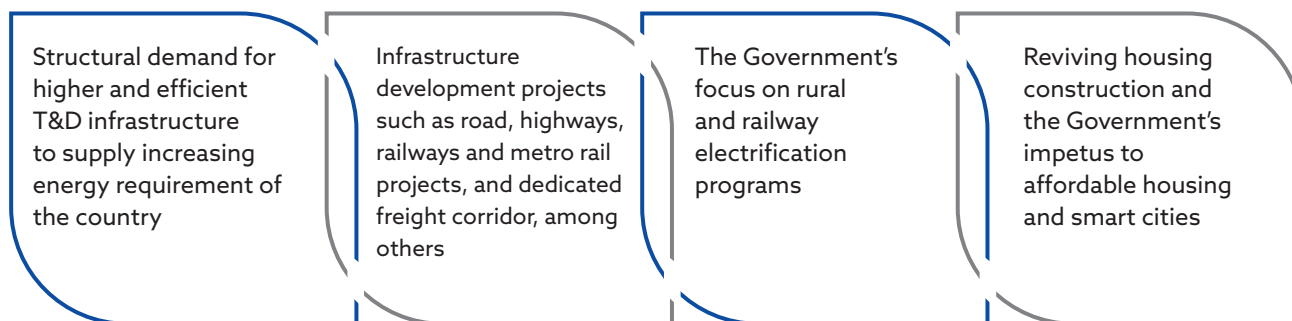
100% Foreign Direct Investment (FDI), 'Rent a roof' policy through solar rooftop projects and bringing renewable energy tariffs at par with fossil energy tariffs to achieve these targets. Furthermore, it launched the National Solar Mission to increase solar power generation capacity to 100 GW by 2022. Further, in the Union Budget 2021-22, the Government has allocated a lumpsum amount of ₹1,000 crore to solar energy corporation and ₹1,500 crore to renewable energy development agency to boost renewable energy and clean environment.

The wind and solar power projects are likely to be concentrated in a few resource-rich regions of the country. A robust inter-state transmission network and efficient grid connectivity is need of an hour to evacuate this generated energy and distribute it pan-India. This, in turn, will create a significant demand for T&D lines making C&W sector amongst the key beneficiaries.

Cables & Wires (C&W) Industry

The cables and wires sector has been a fast-growing industry over the past few years. The Indian cables and wires market is projected to grow at a CAGR of 4% between 2021 and 2025, to reach USD 1.65 billion in 2025, on the back of increasing demand from residential and commercial real estate and telecom and data centre sectors.

The growth will be primarily driven by



Increasing capital expenditure across sectors

Post the lifting of lockdown restrictions and with the increasing focus of the Government on its 'Make In India' initiative, India has been gaining traction and emerging as one of the prime manufacturing destinations in the world. Post the COVID-19 pandemic, manufacturers have been eyeing an alternative investment destination in Asia, and India is well poised to benefit from this. This, coupled with the lucrative government policies, has increased private sector capex and encouraged FDIs, which is expected to benefit India in the long run. India has also been slowly recovering from the

disruption caused by the pandemic, and is expected to register a GDP growth of 9.5% in FY 2021-22, which has again favored better investments in the country. Leveraging these tailwinds, capital expenditure across sectors such as steel, chemicals and fertilizers, and refineries, among others is expected to see exponential growth in the country.

Government Initiatives

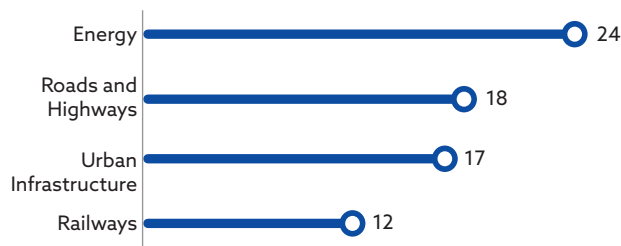
The impetus to infrastructure development

Power supply is a critical requirement for any infrastructure project, making electrical equipment

industry, including C&W industry, a key beneficiary of the infrastructure development in the country. Recognizing good infrastructure as a key enabler of economic growth, the Government launched the National Infrastructure Pipeline (NIP) in an effort to augment India's infrastructure through an identified investment of ₹111 Lakh Crores between FY 2019-25.

Out of a total capital expenditure planned, segments such as energy, roads and highways, urban infrastructure, and railways cumulatively account for ~71% of the total investments, with energy sector commanding highest share at 24%. This underscores substantial and sustainable demand for C&W industry in the coming years.

Sector-wise NIP Investments



🔑 NIP investment share (%)

Source: Antique Research Report

While Centre and state will bring in 79% investments, the rest 21% investments are expected to come from the private sector, bringing in sophisticated technology and efficient project execution and thereby strengthening the quality of the infrastructure. This will further bolster the demand for superior quality and technologically-advanced wires and cables, benefiting organized players over the unorganized competition.

Power for All

The Government launched Power for All (PFA) program back in FY 2017-18 with an objective to supply round-the-clock power to all households, industries, commercial businesses, and agricultural farm holdings. Under the program, it initiated and successfully implemented several electrification schemes such as Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and Saubhagya scheme to provide affordable energy supply across the country.

To increase the electricity reach and provide revival package to distressed DISCOMs, the Government launched Ujwal DISCOM Assurance Yojana (UDAY) to augment transmission and distribution network of the country.

The pandemic-induced prolonged lockdown significantly impacted the demand from DISCOMs, which were already reeling under a high debt to power generators. The Government in response announced ₹90,000 crore liquidity infusion package in the form of low-risk loans and relaxed working capital borrowing limits to ease out liquidity stress faced by the DISCOMs.

The Ministry of Power has released draft Standard Bidding Documents (SBD) in May 2020 to push privatization of DISCOMs, which may bring in much-needed fresh capital and efficiencies to the T&D sector and consequently spur demand for C&W products.

ADITYA Scheme

The Government plans to launch the 'Atal Distribution System Improvement Yojana' (ADITYA) outlaying ₹3.4 trillion to bring down electricity losses to less than 10% in urban areas and 15% in rural areas. The capital outlay will be utilized towards smart metering implementation, network strengthening through the installation of insulated aerial-bunched cables, and separate feeders for agricultural and rural household consumption. Successful execution of the scheme will support C&W demand significantly.

Promoting Solar Power

In a bid to lower dependence of conventional sources of energy, the Government is incentivizing private sector developers to bring in capital and advanced technologies to tap nascent potential in the renewable energy sector. In order to promote solar energy, it has launched several schemes such as:

- Scheme for development of Solar Parks and Ultra Mega Solar Power Projects
- Setting up of cumulative 8,750 MW Grid-connected Solar PV Power Projects under Jawaharlal Nehru National Solar Mission (JNNSM)
- Grid-connected rooftop scheme to promote the installation of rooftop PV Systems by providing state-wise subsidies ranging from 30%-70% of installation cost

These schemes are expected to augment demand for solar and electric cables. Additionally, the Government has allowed 100% FDI in the solar sector through automatic route and waiving off the charges and losses for the renewable projects commissioned before December 2022. This is expected to create notable demand for speciality

electrical wires and cables, such as elastomeric cables and wires.

Significant Capital allocation towards Metro and Railway projects

Over the last five years, the Indian Railways had electrified 10,444 route km vs. sanctioned 30,964 route km. It also announced a plan to electrify 38,000 route km in five years from FY 2018 to FY 2023. Capital investments of more than ₹1 trillion is expected in key metro rail projects in cities of Delhi, Bangalore, Mumbai, Nagpur, and Kolkata. These projects should auger well for the demand for cables and wires going forward.

In the Union Budget 2021-22, the Government announced a record capital allocation of ₹1.1 lakh crore, of which ₹1.07 lakh crore was for capital expenditure only. Indian Railways has envisioned a National Rail Plan, wherein the country would focus on creating a future-ready railway system by 2030, with the focus on bringing down logistics cost in India for various industries, driving the 'Make In India' initiative.

Housing for All

The Government has announced a slew of measures under several schemes to revive housing demand and supply to fulfill its target of 'Housing for All' by 2022. It launched landmark Pradhan Mantri Awas Yojana (PMAY) in 2015 to provide affordable housing by constructing ~1 crore urban houses and 1.95 crore rural households by 2022. The Government further supported housing demand by incentivizing home buyer through the Credit Linked Subsidy Scheme (CLSS), providing an interest subsidy up to ₹2.67 Lakhs.

The Government undertook several initiatives such as the launch of Alternative Investment Fund, Smart Cities Mission, providing tax holidays for real estate developers, and extending deadline for the deduction for interest paid on affordable home loans to revive housing sector of the country. While this has provided significant demand thrust to affordable housing, it has simultaneously augmented demand for housing cables as well.

Green Energy Corridor

In FY 2015-16, the Government announced the setting up of over 9,700 ckm [circuit kilometer] of intra-state transmission lines and 22,600 MVA of substations by March 2020 under the Green Energy Corridor plan to address the lack of grid infrastructure to evacuate and accommodate the increasing generation of renewable energy. However, the progress as of December 31, 2020 stood at 7,365 ckm and 9,976 MVA of substations. Further, due to the onset of the COVID-19 pandemic,

the deadline has been pushed till March 2021. The pent-up demand is expected to grow demand for transmission cables.

Atmanirbhar Bharat

On the back of increased focus on 'Atmanirbhar Bharat' across the country, the infrastructure developments and manufacturing sector in India has seen an increase in investments. Further, with the increasing investment and the rapid expansion of these sectors, the demand for wires and cables are also expected to see extensive growth in the foreseeable future.

Real Estate

The Union Budget 2021-22 saw increased emphasis on affordable housing through deductions on home loan interest, thereby, driving the real estate sector in the country. The Ministry of Housing Affairs allocated a lumpsum amount of ₹54,581 crore in the budget. With consistent focus on affordable housing, the Government extended the additional deduction of interest up to ₹1.5 lakh for purchase of affordable housing property, to March 31, 2022. This is further expected to drive the real estate growth in the market, thus, driving the demand for wires and cables used in commercial and residential real estates.

BUSINESS REVIEW

KEI Industries Limited (hereinafter referred to as "KEI" or "the Company"), established in the year 1968, has emerged as one of the leading manufactures of cables and wires (C&W) having successfully establishing its footprint across the globe. The Company supplies a broad range of C&W products and plays an integral role in the development of core sectors of the country, such as Real Estate, Infrastructure, Power, Steel, Fertilizer, Refinery, Transportation, Energy, and Building Materials, among many others. The Company's wide product portfolio includes cables ranging from Low Tension (LT) to Extra High Voltage (EHV) and various Housing Wires (HW) and Winding Wires (WW). By manufacturing high-quality products coupled with its proven credibility in successfully executing Engineering, Procurement and Construction (EPC) turnkey projects, the Company has fortified its position as a 'one-stop solution provider' in the Cables & Wires industry.

Product Portfolio

Cables

The Company manufactures a wide range of cables that find applications in multiple key sectors of the country. The product range comprises the following:

- Extra-High Voltage (EHV), High Tension (HT) and Low Tension (LT) power cables
- Control and Instrumentation Cables
- Speciality, Single-Core and Multi-Core Flexible Cables
- Rubber cables
- Solar cables
- Fire survival/resistant cables
- Submersible marine and offshore cables

The Company successfully entered EHV cables segment through a joint technical venture with Switzerland-based Brugg Kabel, foreseeing the incremental demand of EHV cables in transmission and distribution that stand much superior to conventional overhead lines. The Company has further strengthened its EHV division by undergoing forward integration by foraying into EPC project execution and backward integration by starting in-house manufacturing of PVC.

House Wires and Winding Wires (HW and WW)

The Company's house wires cater to residential and commercial constructions providing reliability, energy efficiency and the highest level of safety. The Company also manufactures high-quality winding wires that provide functional features such as high-grade insulation and water impermeability for submersible motors, making them a preferred choice by pump manufacturers.

Stainless Steel Wires (SSW)

The Company manufactures stainless steel wires, which find downstream application in industrial metal filters, electrical fencing, springs, wire forms, bearing rollers, wall ties, welding electrodes, surgical equipment, and defense, along with general-purpose wires. These products are used across various sectors and are manufactured as per international standards and customer specifications.

Turnkey Projects

The Company provides EPC solutions in India as well as in the international markets. Backed by its extensive domain experience and the expertise of a competent team, it has created a strong track record of efficiently executing turnkey projects while adhering to timelines and quality parameters. The main services offered include design, engineering, supply, erection, testing and commissioning of various township, smart city and infrastructure development projects, in addition to rural and railway electrification projects.

Manufacturing Prowess

The Company has five state-of-the-art facilities at Bhiwadi (Rajasthan); Chopanki (Rajasthan); Pathredi (Rajasthan); and at Rakholi and Chinchpada (Silvassa, Dadra and Nagar Haveli).

Total Installed Capacity

Particulars	Installed Capacity
EHV Cables	900 Kms
HT Cables	11,100 Kms
LT Power and other Cables	116,600 Kms
Winding, Flexibles & House Wires	1,117,000 Kms
Stainless Steel Wires	7,200 MT

During FY 2020-21, the Company's capacity utilization for Cables, Housing/Winding wires and Stainless Steel wires stood lower at 59%, 61%, and 85% as against 76%, 68%, and 91% respectively. This was mainly on account of the pandemic-induced lockdowns and subdued demand post lockdown relaxations. The dealer network stands at 1,655.

Business Segments

Retail

The retail segment of the Company consists of household wires as well as LT & HT cables. With the help of superior quality products and higher brand recall, the Company is able to carve out high margins from this business segment. Additionally, faster product offtake leads to lower working capital requirements, resulting in superior return ratios. In view of these attributes, the Company continues to strategically expand its retail segment by proactively undertaking various marketing and sponsorships activities and strengthening its dealer network.

Institutional

Under the Institutional segment, the Company supplies high-quality EHV cables, HT and LT cables, stainless steel wires and also executes various EPC projects on a turnkey basis. The segment is characterized by high entry barriers on account of high capital intensity, technical know-how, strong track record and various compliance requirements to win projects. The Company has built a strong institutional business over the years backed by high-quality products, sophisticated manufacturing facilities, consistent investment in R&D and right marketing efforts.

Exports

The Company, over the years, has been able to achieve significant global expansion by the virtue of technologically advanced product portfolio that complies with international standards. Today, The Company exports EHV, MV, and LV cables to overseas customers that largely comprises Oil and Gas, renewable energy and utility companies.

Financial Performance

The Company commenced its fiscal year amidst the nationwide lockdown that resulted in plant operations being shut down for almost an entire month, distribution network being non-operational and disruption in market demand. As a result, the Company's performance was severely impacted in the first quarter of the fiscal, before making a strong sequential recovery in the later half of the year.

The revenue of the Company stood at ₹4,181 crore in FY 2020-21 compared to ₹4,884 crore in FY 2019-20, contracting by 14.39% due to lockdown and business restrictions in the first quarter of the fiscal. The Company's EBITDA stood at ₹481 crore in FY 2020-21 compared to ₹513 crore in FY 2019-20, with an EBITDA margin of 11.49% on the back of proactive cost optimization. Further, the PAT of the Company was pegged at ₹273 crore in FY 2020-21 compared to ₹255 crore in FY 2019-20, thus, registering a bottomline growth despite a contraction in the topline.

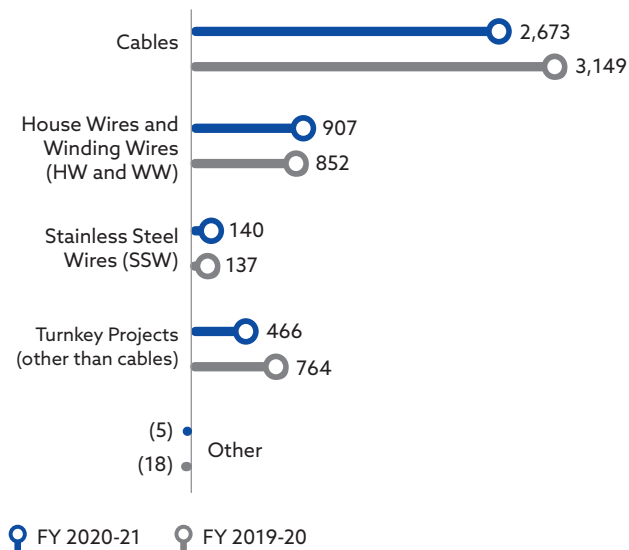
- The debt equity ratio of the Company improved from 0.24x in FY 2019-20 to 0.17x in FY 2020-21 due to consistent repayment of debt
- The current ratio of the Company increased from 1.63 in FY 2019-20 to 2.14 in FY 2020-21 on the back of lower utilization of working capital limit and retention of profit
- The return on net worth of the Company contracted by 156 bps in FY 2020-21 due to issuance of additional shares and higher net worth
- Decisive measures to optimize costs resulted in a 100 bps and 132 bps y-o-y growth in EBITDA margin and net profit margin respectively in FY 2020-21, despite a contraction in the topline

Key Standalone Financial Ratios

Particulars	FY 2020-21	FY 2019-20
Debtor Turnover Ratio	3.10	3.57
Inventory Turnover Ratio	5.44	5.65
Interest Coverage Ratio	7.38	3.53
Current Ratio	2.14	1.63
Debt Equity Ratio	0.17	0.24
Operational Profit Margin	11.01%	10.16%
Net Profit Margin	6.54%	5.22%
Return on Net Worth	15.37%	16.93%

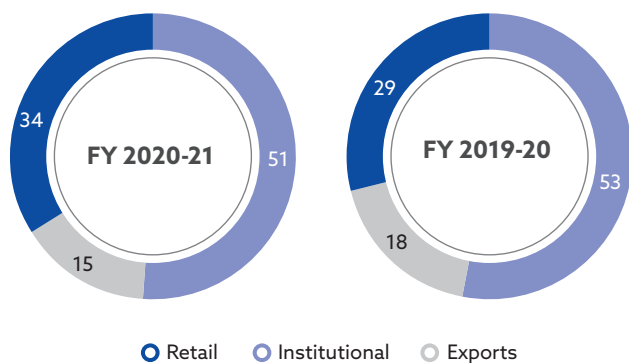
Financial Performance by Segment

Revenue by Product Segment (₹ in Crore)



Financial Performance by Business Segment

Revenue Break-up by Business Segment (%)



Retail

The retail segment of the Company was adversely impacted in the first quarter of FY 2020-21 due to the COVID-19 pandemic. However, aided by recovery in demand coupled with the Company's strong focus on marketing and branding activities, the segment's contribution to overall sales mix stood at 34% in FY 2020-21 compared to 29% in FY 2019-20. The Company strives to increase the share of revenue from the segment to 40-50% in the foreseeable future.

Read more about the retail segment performance of the Company in pages 12-17

Institutional

Under this segment, the Company produces EHV cables, HT and LT power cables, stainless steel wires and provides EPC solutions. Due to the substantial impact of COVID-19 on various downstream sectors, the Company's institutional business was impacted as well.

• EHV

Despite several disruptions caused by the COVID-19 pandemic during 2020-21, the Company sustained its revenues from the EHV business. The revenue generated by the EHV business stood at ₹418 crores in FY 2020-21 compared to ₹435 crores in FY 2019-20.

• EPC

During the year under review, the Company sharpened its focus on voluntarily reducing business from the EPC segment owing to the long working capital cycle and low margins. As a result of this step, the contribution of revenues from EPC business in the overall sales mix stood at 11.15% in FY 2020-21 compared to 15.64% in FY 2019-20, clocking a y-o-y reduction of 449 bps.

Read more about the institutional segment performance of the Company in pages 18-21

Exports

Despite the trade disruptions and macro-economic and sectoral headwinds, the Company successfully sustained its performance in the export segment, if the exceptionally large order from FY 2019-20 is not considered. The revenue from the exports segment stood at ₹608 crores in FY 2020-21.

Read more about the export segment performance of the Company in pages 22-23

Opportunities and Threats

Opportunities

- Rising demand for the EHV cables with growing EPC infrastructure projects, where The Company faces less competition
- Growth in the exports revenues with increasing geographical presence and penetration
- Increasing revenue share of retail segment due to its superior profitability
- Reviving demand from sectors such as metro rail, fertilizers, steel, cement, IT and pharmaceuticals
- Increasing urbanization is expected to drive the demand for housing sector, thereby, driving the demand of wires
- Structural demand for more and efficient T&D infrastructure

- Increasing renewable energy generation causing demand to rise for T&D for power evacuation
- Government investments in key infrastructure sectors such as energy, transportation, and building materials

Threats

- Subdued macro-economic conditions
- CAPEX deferment and delays in key infrastructure projects
- A temporary sluggishness in the housing sector owing to various headwinds
- Pandemic-induced disruptions in economy, trade and sectors
- Volatility in key raw materials prices and exchange rates
- Intensifying industry competition

Business Outlook

With the Government's focus on accelerating the vaccination drive, the country is expected to fare better against future outbreaks of the COVID-19 pandemic, if any, than the second wave. This would also help the country sustain its economic growth. Also, as operations across various sectors head towards normalcy, pent-up demand will drive the market for wires and cables. Further, the Government's strong thrust on infrastructure development, and the ever-increasing capital allocation towards the sector in budgets, continue to boost the demand for wires and cables.

KEI Industries Limited is focused on strengthening its revenue contribution from the retail sector in the medium term. To support its retail ambition, the Company is strengthening its manpower across various sales branches. The Company also remains geared towards strengthening its distribution network and brand visibility through increased investments. Further, the Company is planning to invest in scaling up its LT, HT and EHV cables capacity. The Company remains committed to expanding its global footprint across newer geographies and deepening its penetration in existing markets.

The Company has a strong balance sheet and substantial liquidity. To further improve its working capital management and margins, the Company has strategically decided to reduce its revenue contribution from the EPC projects.

RISK MANAGEMENT

The Company has established a robust and comprehensive Enterprise-wide Risk Management (ERM) framework for the identification and mitigation of risks. The Company has also constituted the Risk Management Committee that periodically reviews the Company's performance against the key risks emanating from a dynamic business scenario and identified by the management basis their extensive experience and domain expertise. The Company further strives to identify new and emerging risks that may severely impact its competitive position and profitability and formulates strategies to mitigate them within time bounds.

Policy Change Risk

The Company's institutional, EHV, and EPC business is largely dependent on the Government and PSU-led projects. Any change in Government, legislation, policies and regulations may materially impact the Company's existing projects and order book leading to a loss of revenue and profitability.

Mitigation

The Company has mitigated policy change risk to a certain extent by diversifying its product portfolio that caters to multiple core sectors of the country, which enables it to capitalize on dynamic infrastructure spending by the Government. Further, it endeavors to increase the share of its retail segment in the overall revenue mix, thereby reducing its dependence on the government-led projects.

Macroeconomic Risk

Subdued economic conditions may lead to lower demand in the retail segment, in addition to project delays and deferments in the institutional segment. Further, any volatility in capital and finance markets may lead to higher interest rates and borrowing costs, negatively affecting the Company's growth plans.

Mitigation

The Company caters to critical cabling requirements of a diverse set of industries, thereby reducing its dependence on any one sector. Over the years, the Company has also established its footprint across more than 50 countries, enabling it to mitigate the country-specific market slowdown.

Currency Fluctuation Risk

The Company exports its products to several international markets while importing various raw materials from foreign destinations. This subjects it to an exchange rate risk, and any adverse movement in the currency rates may negatively impact the Company's profitability.

Mitigation

The Company has instituted an appropriate hedging policy in place, and enjoys partial natural hedging owing to its presence in both exports and imports. For open positions, it undertakes forward contracts and closely monitors exchange rate movements to modify its open position as deemed necessary.

Geopolitical and Global Pandemic Risk

The Company's export business may get materially hampered in case of border restrictions to certain markets, in case of rising geopolitical tensions between India and specific markets. Further, the COVID-19 pandemic might significantly disrupt supply chains, production and logistics and consequently result in a loss of business.

Mitigation

The Company endeavors to achieve an agile manufacturing and supply chain management to maintain a lean cost structure. This enables it to promptly cut down expenditures and conserve cash and liquidity in adverse demand and operational scenario.

Raw Material Risk

Volatility, unavailability and uncertainty in the key supply of key raw materials such as copper, aluminum, steel, and nickel at competitive rates may negatively impact the Company's profit margins and return ratios.

Mitigation

The Company carefully monitors raw material prices and aligns final product prices with commodity price fluctuations by inserting a price fluctuation clause in large supply orders and three months price validity for small scale projects. It revises list price of wires / cables, in retail segment, on bi-monthly / monthly basis to pass on the price fluctuation risk to customers. Further, it also carries adequate inventory of raw materials to ensure uninterrupted production at the manufacturing facilities.

Liquidity Risk

The unavailability of sufficient liquidity and surplus capital may lead to failure in honoring short-term dues, affecting the Company's credit ratings and reputation in the capital markets. Further, it may adversely affect the working capital position of the Company, resulting in manufacturing interruptions.

Mitigation

The Company has a strong balance sheet with comfortable debt to equity ratio of 0.17 and a current ratio of 2.14. The Company also has a robust cash flow monitoring system in place and it follows a prudent and judicious capital allocation approach ensuring low levels of liquidity risk.

Operational Risk

The Company's operations may get disrupted due to natural disasters or severely constrained due to technical failures, IT system collapse, inability to meet client requirements with respect to timely deliveries or product quality, or failure to comply with statutory regulations. This may lead to loss of business and customers, litigations or even business shutdown.

Mitigation

The Company has established robust internal controls and monitoring systems to ensure operational continuity and efficiency, compliance with regulatory processes, appropriate authorizations to safeguard its assets against misuse. While it undertakes periodic review of its internal functions to ensure smooth functioning and improve operational efficiencies, it is well insured against exigencies and unexpected business losses.

Competitive Risk

Given the lucrative growth potential of the industry, the Company operates in a highly competitive industry with the presence of both unorganized and organized players. Heightened competitive intensity through superior products and services may materially impact the Company's profitability.

Mitigation

The Company continues to invest proactively and consistently in R&D activities to upgrade its product portfolio and launch new, high-quality, technically-advanced, and value-added products to differentiate itself from its peers. These efforts are well supported by extensive market research to correctly identify changing customer requirements. This further bolsters The Company's market position by strengthening its brand recall through various marketing and promotional activities and thereby to stave off competition to a large extent.

Human Resource Risk

The Company's success depends critically on seamless execution of its growth strategies by its capable and competent workforce. Failure to hire and retain talent pool having necessary competencies may impact the organization's ability maintain and expand its business operations, and consequently its profitability.

Mitigation

The Company's robust and employee-friendly HR policies strive to create and maintain a conducive and productive work environment while ensuring growth opportunities based on performance and meritocracy. The Company has stringent interviewing, reviewing, and onboarding

procedures to attract and retain top talent while it conducts regular training programs and workshops for the technical and behavioral upgradation of its employees and workers.

HUMAN RESOURCES

The Company's HR policies are proactively formulated with an objective of developing a professional, skilled and talented workforce. The policies are employee-friendly and focus on recruiting and staffing, compensation and benefit, training and skill development and retaining talent by providing appropriate incentives. The Company endeavors to create and maintain a safe, conducive, and engaging work environment to enhance employee morale and ensure high work productivity. It has also created a well-designed appraisal system to align individual efforts with long-term strategy and growth objectives of the Company.

The Company regularly conducts multiple upgradation and development programs to enhance technical and management skill set of its employees. This includes technical training programs in the areas of 360-degree machine guarding, cables manufacturing and design, machine SOPs, and material handling, among many others. On the other hand, behavioral trainings include leadership / team building, communication and negotiation, conflict management, and stress management, among others. It further provides a platform where employees across all hierarchies can communicate to exchange information and ideas and thereby help in improving the Company's overall workforce competencies.

In the purview of COVID-19 pandemic, the Company adopted Work from Home (WFH) culture during the lockdown period. However, post lifting of lockdown restrictions, the Company has started operating out of offices in full swing.

Environment, Health, and Safety (EHS)

The Company has established a well-designed Environment, Health and Safety (EHS) framework to ensure all Company processes strictly adhere to its principles through appropriate benchmarks and rules. While the Company meticulously implemented employee and worker health and safety measures during the outbreak of COVID-19, it continues to follow the implemented SOPs even after partial reoperation of its plant operations. These SOPs comprise adherence to social distancing norms, temperature testing, and providing workers with masks and sanitization facilities and regularly updating workers with various safety norms to ensure their wellbeing.

Quality Control

The Company endeavors to guard its reputation as the highest quality supplier by emphasizing on maintaining and improving its quality control and thereby nurturing customer relationships and achieving sustainable business growth. It has instituted a competent Quality Control (QC) and Quality Assurance (QA) departments responsible for preparing, issuing and reviewing the IMS (Integrated Management System) documentation. While the QA head oversees and undertakes rigorous data analysis to achieve consistent quality improvements, the Company also undertakes third-party inspections, raw material measurements and FAT (Factory Acceptance Tests) inspection to augment its quality control. Further, it undertakes regular technological upgrades to achieve product quality consistency and strictly follows both standard and project-specific quality plans to minimize errors in orders and execution.

Internal Control System and their Adequacy

The Company has established a well-maintained internal control framework that covers various aspects of governance, compliance, audit, control and reporting.

These internal controls play an integral role in adhering to various regulatory compliance, preventing frauds, safeguarding finances, and maintaining the reliability of financial reporting. Internal Auditor of the Company conducts periodic audit of internal control systems and shares the findings with the Company's management who in turn initiates prompt corrective/mitigating measures to maintain accuracy and adequacy of the internal controls.

Cautionary Statement

The Management Discussion and Analysis contains statements describing the Company's objectives, projections, estimates and expectations, which may be forward-looking in nature. These statements are made within the meaning of applicable laws and regulations and are based on informed judgments and estimates. There cannot be any guarantee of previous performance continuity as future performance also involves risks and uncertainties. These may include but are not limited to the general market, macroeconomic, interest rates movements, competitive pressures, technological and legislative developments, and other key factors that may affect the Company's business and financial performance.

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY:

1.	Corporate Identity Number (CIN) of the Company	L74899DL1992PLC051527												
2.	Name of the Company	KEI INDUSTRIES LIMITED												
3.	Registered Address	D-90, OKHLA INDUSTRIAL AREA, PHASE I, NEW DELHI, 110020												
4.	Website	www.kei-ind.com												
5.	E-mail Id	cs@kei-ind.com												
6.	Financial Year Reported	April 01, 2020 to March 31, 2021												
7.	Sector(s) that Company is engaged in (industrial activity code-wise)	<table><tr><th>Product / Service Description</th><th>NIC Code No.</th></tr><tr><td>Cables</td><td>27320</td></tr><tr><td>Stainless Steel Wires</td><td>24108</td></tr><tr><td>Winding Wires, Flexible Wires & House Wires</td><td>27320</td></tr><tr><td>Turnkey Projects</td><td>42202</td></tr></table>	Product / Service Description	NIC Code No.	Cables	27320	Stainless Steel Wires	24108	Winding Wires, Flexible Wires & House Wires	27320	Turnkey Projects	42202	As per National Industrial Classification 2008 - Ministry of Statistics and Programmed Implementation, Government of India.	
Product / Service Description	NIC Code No.													
Cables	27320													
Stainless Steel Wires	24108													
Winding Wires, Flexible Wires & House Wires	27320													
Turnkey Projects	42202													
8.	List three key products / services that the Company manufactures / provides (as in balance sheet) :	(i) Cables; (ii) Stainless Steel Wires; (iii) Turnkey Projects;												
9.	Total number of locations where business activity is undertaken by the Company:													
a)	Number of International Locations (Provide details of major 5):	The Company has its presence in more than 50+ countries; including Subsidiary in Australia and Associate in South Africa, overseas marketing/project offices in Dubai, Nigeria, Gambia, Nepal and South Africa.												
b)	Number of National Locations:	(i) Head office & Registered office in Delhi; (ii) Manufacturing Plants/Units located at: (a) SP-919, 920 & 922, RIICO Industrial Area, Phase- III, Bhiwadi, (Rajasthan) - 301 019 (b) 99/2/7, Madhuban Industrial Estate, Rakholi, Silvassa (D& H)-396 240 (c) Plot No. A-280-284, RIICO Industrial Area, Chopanki, Dist. Alwar (Rajasthan)-301 019 (d) Plot No.SP2-874, RIICO Industrial Area, Pathredi, Distt - Alwar (Rajasthan) - 301 019 (e) Survey No. 1/1/2/5, Village Chinchpada, Silvassa, (D & H) - 396 230 (iii) 21 Depots; (iv) 36 Branch Offices;												

10.	Markets served by the Company- Local/State/ National/International	<p>The Company has a global footprint that serves both National and International Markets.</p> <p>Local and National Markets are served by various branch offices / depots of the Company and through Dealer Distribution Network.</p> <p>International markets are served through subsidiary and overseas marketing / project offices.</p>
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SECTION B: FINANCIAL DETAILS OF THE COMPANY:

1.	Paid-up Capital (INR)	₹ 179.71 million
2.	Total Turnover (gross) (INR)	₹ 41,814.88 million
3.	Total Profits after taxes (INR)	₹ 2,733.10 million
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Refer to Annexure - C of Directors' Report in the Annual Report.
5.	List of activities in which expenditure in 4 above has been incurred	Refer to Annexure - C of Directors' Report in the Annual Report.

SECTION C: OTHER DETAILS:

1. Does the Company have any Subsidiary Company / Companies?

Yes, Company has 1 (One) subsidiary in Australia i.e. KEI Cables Australia Pty Ltd.

2. Do the Subsidiary Company / Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s):

No.

3. Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30%-60%, More than 60%]:

No.

SECTION D: BR INFORMATION:

1. Details of Director / Directors responsible for BR:

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

DIN Number	00006422
Name	Mr. Anil Gupta
Designation	Chairman-cum- Managing Director

b. Details of the BR head:

No.	Particulars	Details
1.	DIN Number (if applicable)	00006422
2.	Name	Mr. Anil Gupta
3.	Designation	Chairman-cum-Managing Director
4.	Telephone Number	+91-11-26818840, 26818642
5.	E-mail Id	cs@kei-ind.com

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

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

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Ethics, Transparency and Accountability	Product Responsibility	Employee Well being	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Customer Relations
1.	Do you have a policy / policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)*	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/Owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified Committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	http://www.kei-ind.com/investor-relations/								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

*The Vigil Mechanism/Whistle Blower Policy, Code of Conduct for Directors and Senior Management Personnel, Code of Conduct to Regulate, Monitor and Report Trading by Designated Person(s) and their Immediate Relative(s), Prevention of Sexual Harassment against Women at Workplace Policy, Corporate Social Responsibility Policy and Human Resources Policy are as per the requirements of the respective legislation of India. IMS Policy confirms to Environment Management System Standard: ISO 14001:2015, Quality Management System ISO 9001:2015 & Occupational Health and Safety Management System ISO 45001:2018.

(b) If answer to question at S.No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options):

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	NOT APPLICABLE								
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR:

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year.

The Board of Directors, Committee of the Board or CEO assess the BR performance of the Company on annual basis.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Business Responsibility Report is published as a part of the Annual Report for the FY 2020-21. The same can be viewed by using the hyperlink: <http://www.kei-ind.com/investor-relations/>.

SECTION E: PRINCIPLE - WISE PERFORMANCE:

Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Yes, Company has laid down a Vigil Mechanism / Whistle Blower Policy and Code of Conduct for Senior Management Personnel that covers issues, inter alia, related to ethics, bribery and corruption. It extends and covers all dealing between Company and its stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

For details on Investor Complaints, refer to the Corporate Governance Report which forms part of this Annual Report.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities:

Company has latest certification for QMS (ISO: 9001-2015), EMS (ISO: 14001-2015) and OHMS (ISO: 45001-2018) in all plants.

Transition of OHSAS- 18001: 2007 to ISO-45001: 2018 has been done.

Transition of NABL ISO/IEC-17025:2005 to ISO/IEC-17025:2017 has been done.

Inclusion of KEI Silvassa plant in NABL ISO/IEC-17025:2017.

Poly winding wire production has been started.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing / production/distribution achieved since the previous year throughout the value chain?

- We have developed HDPE sheet manufactures for packaging the cable drums to replace wooden battens (For domestic supplies).
- Re-utilization of pallet wood (which are being received with export/domestic XLPE compound boxes from the supplier) for drum packing .

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Depletion of natural resource (Wood) has been reduced by replacing wooden battens with HDPE sheet. Also we are supplying the cables in steel drums in place of wooden drums (80" & above).

Reduction in energy cost by reducing sanctioned load from 2.2 MVA to 1.8 MVA in control cable division to get rebate and by replacing DC drives & motors with AC energy efficient drives & IE3 & IE4 AC motors. Replaced water pumps with energy efficient water pumps.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

Yes.

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company has a well-defined procurement procedure process in IMS (PT/P/06), with the help of which suppliers are evaluated periodically to confirm the compliances.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Yes, the Company regularly procures GI wires, filler, tapes, PVC, HDPE sheet, Packing steel drums , Maintenance consumables etc. from local and small producers.

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Vendors visits are done regularly. Company constantly monitor their performance by vendor rating and upgrade them so that they can comply with all social, legal and environmental norms.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also provide details thereof, in about 50 words or so.

Yes, all our major raw materials are recyclable except XLPE compound. Company recycle PVC compound in house to make PVC fillers which are then used in laying process of HT Cables. Rest of the raw materials are being sold to authorized recyclers. Water used in manufacturing process is being circulated in closed loop. Also Sewage Treatment Plant (STP) is being used to treat the waste and the recycled water is used for gardening and washing purpose. Company recycles approximately 5% of its products and waste.

Principle 3 – Businesses should promote the wellbeing of all employees

1. Please indicate the total number of employees.

5353 (on Roll, off Roll and Contractual/Temporary)

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

3395

3. Please indicate the number of permanent women employees.

76

4. Please indicate the number of permanent employees with disabilities.

None.

5. Do you have an employee association that is recognized by management?

No.

6. What percentage of your permanent employees is members of this recognized employee association?

Not Applicable.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No.	Category	No. of Complaints filed during the financial year	No. of Complaints pending as on end of the financial year
1.	Child labour / forced labour / involuntary labour	NIL	NIL
2.	Sexual harassment	NIL	NIL
3.	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?

S. No.	Category	Safety	Skill Upgradation
(a)	Permanent Employees	100 %	95 %
(b)	Permanent Women Employees	100 %	100 %
(c)	Casual / Temporary / Contractual Employees	100 %	85 %
(d)	Employees with Disabilities	NIL	NIL

Principle 4 - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes.

3. Are there any special initiatives taken by the company to engage with disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

Yes, Company has taken special initiatives to engage with disadvantaged, vulnerable and marginalized stakeholders by implementing CSR Programme through different implementing agencies.

Principle 5 - Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Yes, it extends to Company and interested stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

NIL

Principle 6 - Businesses should respect, protect and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others.

Yes, our Integrated Management System (IMS) Policy covers all the interested parties associated with the Company.

2. Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes, the Company takes many initiatives to address global environmental issues such as:

- 1) Usage of Natural Gas in place of Diesel /Furnace Oil.

- 2) Usage of Solar energy.
- 3) Emission monitoring of flue gases generated through utilities.
- 4) PUC certificate monitoring of all the inbound transportation vehicles.
- 5) Installation of Zero Liquid Discharge (ZLD) Plant.
- 6) Installation of Sewage Treatment Plant (STP).
- 7) Usage of HDPE sheet for packing of cable drums to reduce the consumption of wooden battens.
- 8) Re-utilization of pallet wood (which are being received with export/domestic XLPE compound boxes from the supplier) for drum packing.
- 9) Usage of Rain water harvesting to re store ground water level.
- 10) RO waste water is being used in toilets.

The same can be viewed by using the hyperlink: <http://www.kei-ind.com/investor-relations/>

3. Does the Company identify and assess potential environmental risks? Y/N

Yes, the Company have Aspect Impact Determination Study and Risk Library which is reviewed half yearly to fulfill all the compliances. Identification of Environment Aspect is being done as per its defined IMS process EA/P/14.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Yes, Company has invested in setting renewable sources of energy through installation of solar roof panels of 3.5 MW in Bhiwadi, Chopanki & Pathredi plant. Pickling process in stainless steel wire division has been stopped to avoid uses of acids/chemicals for cleaning SS Rods & pickled SS rods are being outsourced.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for webpage etc.

Yes, the Company is taking initiatives constantly towards environment (Usage of Natural Gas instead of Diesel and Furnace Oil in running of Boilers & Furnaces, Solar Panel Setup, Installation of Sewage Treatment Plant (STP) and Zero Liquid Discharge (ZLD) Plant for zero water wastage. DC drives are being replaced by Energy Efficient AC Drives & IE3 & IE4 AC motors. Replaced water pumps with energy efficient water pumps.

The same can be viewed by using the hyperlink: <http://www.kei-ind.com/investor-relations/>

6. Are the Emissions / Waste generated by the Company within permissible limits given by CPCB / SPCB for the financial year being reported?

Yes, the Air emission test is being conducted and reviewed every half yearly.

7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

None.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber of association? If yes, Name only those major ones that your business deals with:

- (a) Bureau of Indian Standards.
- (b) Confederation of Indian Industry (CII).
- (c) Delhi Chamber of Commerce.
- (d) India Electrical & Electronics Manufacturer's Association (IEEMA).
- (e) PHD Chamber of Commerce & Industry.

- (f) Project Export Promotion Council of India.
- (g) Okhla Factory Owners Association.
- (h) Okhla Industries Association.
- (i) Bhiwadi Chamber of Commerce & Industry.
- (j) Bhiwadi Manufacturers Association.

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes/No; If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others).

The Company responsibly and actively engages in policy advocacy through IEEMA.

Principle 8 – Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.

Yes, Company has specific programs/initiatives/projects in pursuance of its CSR Policy.

Please refer to Annexure- C of Director Report for details.

2. Are the programmes / projects undertaken through in-house team/own foundation / external NGO / government structures / any other organization?

Please refer to Annexure - C of Director Report for details.

3. Have you done any impact assessment of your initiative?

Yes, the Company do it annually.

4. What is your Company's direct contribution to community development projects – Amount in INR and the details of the projects undertaken.

Please refer to Annexure - C of Director Report for details.

5. Have you taken any steps to ensure that this community development initiative is successfully adopted by the Community? Please explain in 50 words or so.

Yes, it is reviewed annually.

Principle 9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints / consumer cases are pending as on the end of the financial year?

None.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks (additional information).

Yes, Stenciling is done on the drums which shows all the material information. Also, Cable Handling, Laying and Storage instruction manual KEI/HLSM/QCL/101 is being sent with invoice.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

No.

4. Did your Company carry out any consumer survey / consumer satisfaction trends?

The Company carries out market researches through our advertisement agencies at regular intervals. Customer satisfaction survey is being conducted every year as per defined IMS procedure MM/P/10.

Corporate Governance Report

In terms of Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year ended March 31, 2021 is presented below:

1. STATEMENT ON COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company believes in adopting best practices in the area of Corporate Governance and follows the principles of full transparency and accountability by providing information on various issues concerning the Company's business and financial performance to its shareholders. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. It is firmly believed that good governance practices would ensure efficient conduct of the affairs of the Company and help the Company to achieve its goal of maximising value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming leader in Power Cable Industry.

This report states compliance as per requirement of the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as applicable to the Company.

The Board considers itself as the Trustee of its Shareholders. During the period under review, the Board continued its pursuit by adopting and monitoring of corporate strategies, prudent business plans, major risks and ensuring that the Company pursues policies and procedures to satisfy its social, legal and ethical responsibilities.

2. BOARD OF DIRECTORS:

(A) Composition of the Board of Directors:

- (i) The Company has 10 Directors with an Executive Chairman. Of the 10 Directors, 3 are Executive Directors and 7 are Non-Executive Directors, including two Women Directors (one Independent Woman Director) and 6 Independent Directors. The Composition of the Board is in conformity with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (ii) None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all the listed companies in which he / she is a Director. Necessary disclosures regarding Committee positions in other Public Limited Companies as on March 31, 2021 have been made by all the Directors.
- (iii) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI (LODR) Regulations read with Section 149(6) of the Companies Act 2013 along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.
- (iv) The names and categories of the Directors on the Board, and the number of Directorships and Committee Chairmanships / Memberships held by them in other Public Limited Companies are given below. Other Directorships do not include Directorships of Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013. Chairmanship / Membership of Board Committees include only Audit Committee and Stakeholders Relationship Committee.

(B) Details of Directors as on March 31, 2021, their attendance at the Board Meetings and Annual General Meeting during the financial year ended March 31, 2021 and number of other Board of Directors or Committees in which Director is a Member or Chairperson are given below:

Name of the Director	Category	No. of Directorships in other Public Limited Companies	No. of the Board Meetings held during the Financial Year 2020-21	No. of the Board Meetings attended during the Financial Year 2020-21	Attendance at last AGM (September 9, 2020)	No. of Committee positions held in other Public Limited Companies		Directorships In Other Listed Entity (Category of Directorships)
						Chairman	Member	
Mr. Anil Gupta (DIN: 00006422)	Non-Independent, Executive Director (Promoter & CMD)	2	5	5	Yes	None	None	None
Mrs. Archana Gupta (DIN: 00006459)	Non-Independent, Non-Executive Director	2	5	5	Yes	None	None	None
Mr. Akshit Diviaj Gupta (DIN: 07814690)	Non-Independent, Executive Director	2	5	5	Yes	None	None	None
Mr. Pawan Bholusaria (DIN: 00092492)	Independent, Non-Executive Director	None	5	5	Yes	None	None	None
Mr. Kishan Gopal Somani (DIN: 00014648)	Independent, Non-Executive Director	2	5	5	Yes	None	None	None
Mr. Vijay Bhushan (DIN: 00002421)	Independent, Non-Executive Director	4	5	5	Yes	1	4	Bharat Bhushan Finance & Commodity Brokers Limited (Non - Executive Director) Paramount Communications Limited (Independent Director)
Mr. Vikram Bhartia (DIN: 00013654)	Independent, Non-Executive Director	None	5	5	Yes	None	None	None
Mr. Sadhu Ram Bansal (DIN: 06471984)	Independent, Non-Executive Director	3	5	5	Yes	1	3	Hindustan Urban Infrastructure Limited (Independent Director)
Mr. Rajeev Gupta (DIN: 00128865)	Non-Independent, Executive Director	None	5	5	Yes	None	None	None
Ms. Shalini Gupta (DIN: 02361768)	Independent Woman Director - Non-Executive	None	5	5	Yes	None	None	None

(C) Skills / Expertise / Competence of the Board of Directors:

The Board has identified the following core skills / expertise / competencies as required in the context of the Company's business(es) and sector(s) for it to function effectively and are currently available with the Board:

Skill / Competency		
Industry Knowledge / Experience	Technical skills / Experience	Behavioral Competencies
Knowledge of Sector and Knowledge of Government Policy	Projects, Accounting, Finance, Law, Marketing Experience, IT and Digital outreach, Public Relations, Risk Management Systems, Human Resource Management and Strategy Development and Implementation.	Sound Judgment, Integrity and High Ethical Standard, Interpersonal Relations, Listening & Verbal Communication Skills and Understanding of effective decision - making processes.

On the basis of the above-mentioned skill matrix, the skills which are currently available with the Board are as under:-

Name of the Director	Industry Knowledge / Experience	Technical skills / Experience	Behavioral Competencies
Mr. Anil Gupta	✓	✓	✓
Mrs. Archana Gupta		✓	✓
Mr. Akshit Diviaj Gupta		✓	✓
Mr. Pawan Bholusaria	✓	✓	✓
Mr. Kishan Gopal Somani	✓	✓	✓
Mr. Vijay Bhushan		✓	✓
Mr. Vikram Bhartia	✓	✓	✓
Mr. Sadhu Ram Bansal	✓	✓	✓
Mr. Rajeev Gupta	✓	✓	✓
Ms. Shalini Gupta		✓	✓

(D) Number of Meetings of the Board of Directors held and dates on which held:

During the Financial Year 2020-21, agenda of the Board / Committee meeting(s) with proper explanatory notes to agenda was prepared and circulated well in advance to all the Board / Committee members. Draft resolution(s) were also circulated to the Board / Committee members for their comments. In special circumstances, additional or supplementary item(s) on agenda were permitted with the approval of the Chairman of the meeting. The Board also reviewed periodical compliances of all applicable Acts, law(s) / rule(s) and regulation(s) during the Financial Year 2020-21.

During the year ended March 31, 2021, 5 (Five) meetings were held on May 30, 2020, August 6, 2020, November 2, 2020, January 28, 2021 and February 26, 2021.

As per the relaxation given by MCA and SEBI due to the Covid-19 pandemic, all the Board meetings of the company during the year under review were held through video conferencing.

The Last Annual General Meeting (AGM) of the Company was held on September 09, 2020 through video conferencing.

(E) Disclosure of relationships between Directors inter-se:

Mr. Akshit Diviaj Gupta (holding DIN: 07814690) on the Board is son of Mr. Anil Gupta, Chairman-cum-Managing Director (holding DIN: 00006422) and Mrs. Archana Gupta, Director (holding DIN: 00006459). Further, Mrs. Archana Gupta, Director (holding DIN: 00006459) on the Board is spouse of Mr. Anil Gupta, Chairman-cum-Managing Director (holding DIN: 00006422) and mother of Mr. Akshit Diviaj Gupta (holding DIN: 07814690) and Mr. Anil Gupta (holding DIN: 00006422) on the Board is spouse of Mrs. Archana Gupta, Director (holding DIN: 00006459) and father of Mr. Akshit Diviaj Gupta (holding DIN: 07814690).

None of the other Directors are related to any other Directors on the Board.

(F) Number of shares and convertible Instruments held by Non-Executive Directors:

None of the Non-Executive Directors hold any of the convertible instruments except the following Equity Shares of ₹ 2/- each in their individual capacity:

Name of the Director	Category	No. of shares held as on March 31, 2021
Ms. Archana Gupta	Non-Executive, Director	8,37,315
Mr. Pawan Bholusaria	Non-Executive, Independent Director	4,500
Mr. Kishan Gopal Somani	Non-Executive, Independent Director	1,000
Mr. Vikram Bhartia	Non-Executive, Independent Director	10,000
Mr. Vijay Bhushan	Non-Executive, Independent Director	Nil
Mr. Sadhu Ram Bansal	Non-Executive, Independent Director	Nil
Ms. Shalini Gupta	Non-Executive, Independent Woman Director	Nil

(G) Web link where details of Familiarization Programmes imparted to Independent Directors is disclosed:

The Board of Directors has approved familiarization programme and it was last updated on February, 26 2021. The updated Familiarization programme is available on the website of the Company at www.kei-ind.com under Investor Relations Section. The details regarding Familiarization Programmes imparted to Independent Directors of the Company are also given on the website of the Company at www.kei-ind.com under Investor Relations Section.

SEPARATE MEETING OF INDEPENDENT DIRECTORS:

In terms of Section 149 read with Schedule IV to the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors are required to meet at least once in a year, without the presence of Non-Independent Directors and members of the management, to deal with the matters listed out in Regulation 25(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All Independent Directors have given declarations that they meet the criteria of independence as laid down in Section 149 (6) & (7) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year ended March 31, 2021 one meeting of Independent Directors was held on March 27, 2021.

Attendance of the Independent Directors at the meeting is as under:

Name of the Director	Profession	No. of Meetings held	No. of Meetings attended
Mr. Vikram Bhartia	Business	1	1
Mr. Pawan Bholusaria	Chartered Accountant	1	1
Mr. Kishan Gopal Somani	Chartered Accountant	1	1
Mr. Vijay Bhushan	Business	1	1
Mr. Sadhu Ram Bansal	Ex - Banker (Former Chairman & MD of Corporation Bank)	1	1
Ms. Shalini Gupta	Business	1	1

3. AUDIT COMMITTEE:

(A) Brief Description of terms of reference:

The terms of reference of the Audit Committee are in line with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Specified in Part C of the Schedule II) and Section 177 of the Companies Act, 2013.

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

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position.
- Recommending the appointment, re-appointment and removal of external auditors, fixation of audit fees and also approval for payment of any other services.
- Recommendation for appointment, reappointment, removal and remuneration of Cost Auditors and Internal Auditors of the Company.
- Reviewing the financial statements and draft audit report, including quarterly/half yearly financial information.
- Reviewing, with the management the annual financial statements before submission to the Board for approval, for focusing primarily on:
 - ❑ Matters required to be included in the Directors' 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;
 - ❑ Changes, if any in accounting policies and practices and reasons for the same;
 - ❑ Major accounting entries based on the exercise of judgment by management;
 - ❑ Qualification in draft audit report;
 - ❑ Significant adjustments made in the financial statements arising out of audit finding;
 - ❑ Compliance with accounting standards;
 - ❑ Compliance with listing and other legal requirements concerning financial statements;
 - ❑ Any related party transactions;
- Reviewing the Company's financial and risk management policies;
- Disclosure of contingent liabilities;
- Reviewing with the management, performance of statutory and internal auditors, adequacy of internal control systems;
- Discussion with internal auditors of any significant findings and follow-up thereon;
- Reviewing the findings of any internal investigation by the internal auditors into matters where there is suspect of fraud or irregularity or a failure of internal control systems of a material nature and reposting the matters to the Board;
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Reviewing other areas that may be brought under the purview of role of Audit Committee as specified in SEBI Regulations and the Companies Act, as and when amended;
- Discussion with 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;
- Internal audit reports relating to internal control weaknesses;

- 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 undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management 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;
- Reviewing the functioning of Vigil mechanism/ Whistle Blower Policy;
- Lay down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions of the Company (if required);
- Monitoring of end use of funds raised through public offers and related matters.
- Mandatory review of following information:
 - ☐ Management discussion and analysis of financial condition and results of operation;
 - ☐ Statement of significant related party transactions submitted by management;
 - ☐ Management letters / letters of internal control weaknesses issued by Statutory Auditors;
 - ☐ Internal audit reports relating to internal control weakness;
 - ☐ Cost Auditor is free from disqualification as specified under Section 141 of the Companies Act, 2013.
- Statement of Deviations:
 - ☐ Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(B) Composition, Name of members and Chairperson and meeting and attendance during the financial year 2020-21:

During the year ended March 31, 2021, 5 (Five) Audit Committee Meetings were held on May 30, 2020, August 06, 2020, November 2, 2020, January 28, 2021 and February 26, 2021.

Mr. Pawan Bholusaria, Chairman of the Audit Committee was present at the last Annual General Meeting held on September 09, 2020.

The composition of the Audit Committee and the attendance of the Members in the meetings are as under:

Name of the Director	Category	Profession	No. of Meetings held	No. of Meetings attended
Mr. Pawan Bholusaria	Independent Director (Chairman)	Chartered Accountant	5	5
Mr. Kishan Gopal Somani	Independent Director (Member)	Chartered Accountant	5	5
Mr. Vikram Bhartia	Independent Director (Member)	Business	5	5
Mr. Sadhu Ram Bansal	Independent Director (Member)	Ex - Banker (Former Chairman & MD of Corporation Bank)	1	1

Mr. Kishore Kunal, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee. In addition to the above, the Committee meetings were also attended by the Statutory Auditors and other Executive(s) of the Company as and when required.

4. NOMINATION AND REMUNERATION COMMITTEE:

(A) Brief description of terms of reference:

The Nomination and Remuneration Committee determines on behalf of the Board and on behalf of the shareholders, the Company's policy governing remuneration payable to the Whole-time Directors as well as the nomination and appointment of Directors.

The terms of reference of the Nomination and Remuneration Committee are in line with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Specified in Part D of the Schedule II) and Section 178 of the Companies Act, 2013.

The terms of reference of the Nomination and Remuneration Committee are broadly as under:

- To Formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
- To Formulate criteria for evaluation of Independent Directors and the Board;
- To Carry out evaluation of every Director's performance;
- To Devise a policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- To formulate suitable Employee Stock Option Scheme in terms of the SEBI (Share Based Employee Benefits) Regulations, 2014 for the benefit of employees and Directors of the Company;
- To adopt rules and regulations for implementing the Scheme from time to time;
- To frame suitable policies and procedures to ensure that there is no violation of Securities Laws, including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 (as amended from time to time), by the Company and its employees, as applicable;
- To consider such other matters as the Board may specify and other areas that may be brought under the purview / role of Committee as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 as and when amended;
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

(B) Composition, Name of members, Chairperson, meeting and attendance during the financial year 2020-21:

During the year ended March 31, 2021, 1 (One) meetings was held on May 30, 2020.

The composition of the Committee and attendance of the members at the meeting are as under:

Name of the Director	Category	Profession	No. of Meetings held	No. of meetings attended
Mr. Vikram Bhartia	Independent Director (Chairman)	Business	1	1
Mr. Vijay Bhushan	Independent Director (Member)	Business	1	1
Mr. Pawan Bholusaria	Independent Director (Member)	Chartered Accountant	1	1

Mr. Kishore Kunal, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee. In addition to the above, the Committee meetings were also attended by other Executive(s) of the Company as and when required.

(C) Performance Evaluation criteria for Independent Directors:

The performance evaluation of all the Directors for the financial year 2020-21, was carried out in accordance with the criteria laid out by the Nomination and Remuneration Committee and approved by the Board.

The performance evaluation of Independent Directors was done by the entire Board of Directors (excluding the director being evaluated).

5. REMUNERATION OF DIRECTORS:

(a) All pecuniary relationship or transactions of the Non- Executive Directors vis-à-vis the Company:

During the financial year 2020-21, the Company has not paid any remuneration to Non-Executive and Independent Director except sitting fees of ₹ 75,000/- per Board / Committee Meeting.

(₹ in million)

Name of the Director	Amount
Mr. Pawan Bholusaria	₹ 1.50
Mr. Kishan Gopal Somani	₹ 0.75
Mr. Vikram Bhartia	₹ 1.13
Mr. Vijay Bhushan	₹ 0.83
Ms. Archana Gupta	₹ 0.83
Mr. Sadhu Ram Bansal	₹ 0.53
Ms. Shalini Gupta	₹ 0.38

(b) Criteria of making payments to Non-Executive Directors:

The terms of appointment/re-appointment, remuneration/fees, removal of Non-Executive Directors are governed by the resolutions passed by the Board / the Nomination and Remuneration Committee, which cover the terms and conditions of such appointment/re-appointment as per the Nomination and Remuneration Policy and Article of Association of the Company, as amended from time to time. No separate Service Contract is entered into by the Company with any Non-Executive Directors. The statutory provisions will however apply.

Further, the detailed Nomination & Remuneration Policy is annexed to Director's Report as **Annexure A** and forms part of this Annual Report and is also available on the website of the Company at www.kei-ind.com under Investor Relations Section.

(c) Disclosure with respect to Remuneration:

(i) Details of Remuneration paid to Executive Directors for the Year ended on March 31, 2021:

The aggregate value of salary, perquisites and commission paid for the year ended March 31, 2021 to the Chairman-cum-Managing Director (CMD) and Whole Time Directors (WTD) are as follows:

(₹ in million)

Name	Salary	Commission	Co's Cont. to PF	Perquisites	Sitting Fees	Other	Total
Mr. Anil Gupta (CMD)	21.00	67.09	0.02	5.65	NIL	NIL	93.76
Mr. Rajeev Gupta (ED (Finance) & CFO)	10.98	NIL	0.02	16.75*	NIL	NIL	27.75
Mr. Akshit Diviaj Gupta (Whole Time Director)	6.73	NIL	0.02	NIL	NIL	NIL	6.75
Total							128.26

*Including value of Employee Stock Option.

(d) Service Contract, Severance Fee and Notice Period of the Executive Directors:

The appointment/re-appointment of the Executive Directors is governed by the resolutions passed by the Board / The Nomination and Remuneration Committee/ Nomination and Remuneration Policy and the Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company. A separate Service Contract is not entered into by the Company with Executive Directors. No notice period or severance fee is payable to any Director. The statutory provisions will however apply.

The terms of appointment/re-appointment, remuneration and removal of Executive Directors are as per the Nomination and Remuneration Policy.

(e) Stock Options details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:

During the financial year 2015-16, Nomination and Remuneration Committee had granted 6,00,000 Stock Options at an Exercise Price of ₹ 35/- per Option to Mr. Rajeev Gupta, Executive Director (Finance) & CFO of the Company which vested over a period of 4 years.

Further during the financial year 2019-20, Nomination and Remuneration Committee had granted 3,60,000 Stock Options at an Exercise Price of ₹ 225/- per Option to Mr. Rajeev Gupta, Executive Director (Finance) & CFO of the Company which will vest over a period of 3 years.

Out of the above, during the financial year 2020-21, Share Allotment Committee at its meeting held on August 14, 2020 has allotted 1,20,000 Equity Shares of face value ₹ 2/- each at an Exercise Price of ₹ 225/- per Equity Shares to Mr. Rajeev Gupta, Executive Director (Finance) & CFO (Previous year 1,50,000 Equity Shares of face value ₹ 2/- each was allotted at an Exercise Price of ₹ 35/- per Equity Shares in Share Allotment Committee meeting held on September 27, 2019).

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The terms of reference and the ambit of powers of the Stakeholders Relationship Committee are in line with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Specified in Part D of the Schedule II) and Section 178 of the Companies Act, 2013.

The Committee looks into redressing various aspects of interest of shareholder's including investor's grievances / complaints such as non-receipt of notices, annual reports, dividends, revalidation of Dividend Warrants and share transfers related works. The Committee also approves issue of duplicate share certificates, remat of shares etc. The status of grievances / complaints has also been placed before the Committee on quarterly basis.

(a) Name of Non-Executive Director heading the Committee:

During the year ended March 31, 2021, 4 (Four) meetings of the Committee were held on May 30, 2020, August 06, 2020, November 2, 2020 and January 27, 2021.

The composition of the Committee and attendance of the members at the meeting are as under:

Name of the Director	Category	Profession	No. of Meetings held	No. of meetings attended
Mr. Vijay Bhushan	Independent Director (Chairman)	Business	4	4
Mr. Vikram Bhartia	Independent Director (Member)	Business	4	4
Mr. Pawan Bholusaria	Independent Director (Member)	Chartered Accountant	4	4

Mr. Kishore Kunal, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee. In addition to the above, the Committee meetings were also attended by the other Executive(s) of the Company as and when required.

(b) Name and Designation of Compliance Officer:

Mr. Kishore Kunal, General Manager (Corporate) & Company Secretary is the Compliance Officer of the Company.

(c) Number of shareholder's complaints received, not solved to the satisfaction of shareholders and pending:

Number of Shareholders complaints received and resolved during the year ended March 31, 2021 are as follows:

Sr. No.	Nature of Grievances	Received	Status/ Pending
1	Non Receipt of Annual Report / Dividend Warrant/ Others	NIL	NIL
2	Non Receipt of Transfer / Transmission / Duplicate / Split etc	NIL	NIL
3	Non Receipt of electronic credit / demat	NIL	NIL
4	SEBI / ROC	NIL	NIL
5	Others	NIL	NIL
	Total	NIL	NIL

Number of pending Shareholders complaints and Share Transfer as on March 31, 2021 was Nil.

Beside the above, the Board of Directors has Share Allotment Committee, Finance Committee, CSR Committee, Risk Management Committee and Qualified Institutions Placement Committee. In respect of these Committees brief role, terms of reference, composition and number of meetings held etc. are given below.

7. SHARE ALLOTMENT COMMITTEE:

Share Allotment Committee was constituted by the Board of Directors of the Company with detailed terms of reference which include, inter-alia, the following powers:

- To consider and allot the equity shares upon conversion of Foreign Currency Convertible Bonds (FCCB), as requested by the bondholders from time to time in the Form of conversion notice.
- To consider and allot the equity shares upon exercise of Stock options by the eligible employees.
- To consider and allot the equity shares upon conversion of other convertible securities issued by the Company from time to time.
- To exercise all other powers as may be delegated by the Board from time to time.

During the year ended March 31, 2021, 1 (One) meeting of the Committee was held on August 14, 2020.

The composition of the Committee and attendance of the members at the meeting are as under:

Name of the Director	Category	Profession	No. of meetings held	No. of meetings attended
Mr. Pawan Bholusaria	Independent Director (Chairman)	Chartered Accountant	1	1
Mr. Vijay Bhushan	Independent Director (Member)	Business	1	1
Mr. Anil Gupta	Non-Independent, Executive Director (Member)	Business	1	1

Mr. Kishore Kunal, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

8. FINANCE COMMITTEE:

In addition to the mandatory / non-mandatory Board Committee specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company has constituted a Finance Committee comprising of One Non-Executive Director and Two Executive Directors of the Company. The primary role of the Finance Committee is to expeditiously decide business matters of routine nature and regular financial nature.

The detailed terms of reference which include, inter-alia, the following powers:

- opening / operation of Bank Accounts including any matter relating to working capital limits of the Company;
- borrowing from Banks / Financial Institutions / body corporate or from any other person up to an amount not exceeding ₹ 8000 million (from existing ₹ 4000 million) at any time. The same shall be reported in the subsequent Board Meeting. However the borrowing made by the Committee and reported in the subsequent Board Meeting, shall not be considered for computing the said limit of ₹ 8000 million;
- creation of security by way of hypothecation / mortgage on the assets of the Company for the borrowing;
- to provide any loan / deposits / guarantee / investment for an amount not exceeding ₹ 200 million (from existing ₹ 100 million) at any time. As per provisions of Section 186 of the Companies Act, 2013 the Board can make investment up to 60% of the paid-up capital & free reserves or 100% of the free reserves, whichever is more and investment more than this can be made by the Board with the approval of shareholders;
- to consider and approve transactions regarding the leasing or disposal of property;
- to approve Donation of Funds to Religious Institutions, Charitable Institutions and other Registered Society;
- to authorize officials of the company for signing tending documents, execution of Power of Attorney in favour of officials of the Company;
- to enter into Consortium Agreement, Collaboration Agreement, Joint Venture Agreement with entities for the purpose of pre-qualification in tenders / contracts and other business purpose;
- authorization for closure of Bank Account and other authorization for e-banking and online trade on banks platforms;
- to administer KEI INDUSTRIES LIMITED EMPLOYEES GROUP GRATUITY FUND and also to appoint/ remove/replace trustee so appointed in relation to the Fund;
- any other financial and/or legal matter relating to the Company viz. service tax, sales tax, income tax, excise, custom, RBI, Ministry of Corporate Affairs (MCA), Foreign Exchange, etc and authorisation to officials of the Company to deal with such matters and;
- execution and signing of various documents in respect of above;

During the year ended March 31, 2021, 6 (Six) meetings were held on June 18, 2020, July 22, 2020, August 22, 2020, October 16, 2020, December 23, 2020, and March 30, 2021.

The composition of the Committee and attendance of the members at the meeting are as under:

Name of the Director	Category	Profession	No. of Meetings held	No. of Meetings attended
Mr. Anil Gupta	Non-Independent, Executive (Chairman)	Business	6	6
Mrs. Archana Gupta	Non-Independent, Non- Executive (Member)	Business	6	6
Mr. Rajeev Gupta	Non-Independent, Executive (Member)	Service	6	6

Mr. Kishore Kunal, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

9. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Corporate Social Responsibility Committee of the Company is constituted in line with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, with detailed terms of reference which include, inter-alia, the following functions:

- Formulating and recommending to Board, a CSR policy, which shall indicate the activities to be undertaken by the Company as specified in schedule VII to the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the CSR activities;
- Monitoring the Corporate Social Responsibility Policy of the Company from time to time;
- Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;

The Corporate Social Responsibility Committee comprises of 3 (Three) members of which the Chairman being Non-Executive and Independent and other two are Executive Directors.

During the year ended March 31, 2021, 4 (Four) meeting were held on May 30, 2020, August 06, 2020, November 2, 2020 and January 27, 2021. Further, during the year under review, the members of the committee passed resolutions by circulation on March, 22, 2021 and March 30, 2021 respectively.

The Composition of the Committee and attendance of members at the meetings are as under:

Name of the Director	Category	Profession	No. of Meetings held	No. of Meetings attended
Mr. Pawan Bholusaria	Independent, Non- Executive (Chairman)	Chartered Accountant	4	4
Mr. Anil Gupta	Non-Independent, Executive (Member)	Business	4	4
Mr. Rajeev Gupta	Non-Independent, Executive (Member)	Service	4	4

Mr. Kishore Kunal, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

The Annual Report on Corporate Social Responsibility (CSR) activities is annexed to Directors' Report detailing the CSR projects undertaken by the Company as **Annexure C** and forms part of this Annual Report. Further, the Corporate Social Responsibility Policy was last updated by the Board of Directors on January 28, 2021 pursuant to Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and has also been uploaded on the Company's website at www.kei-ind.com under Investor Relations Section.

10. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee of the Company is constituted in line with Regulation 21 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to frame, implement and monitor the risk management plan for the Company.

During the year ended March 31, 2021, 1 (One) meeting of the Committee was held on March 31, 2021.

The Risk Management Committee comprises of 3 (Three) members. The Composition of the Committee and attendance of members at the meetings are as under:

Name of the Director	Category	Profession	No. of Meetings held	No. of Meetings attended
Mr. Anil Gupta	Non-Independent, Executive (Chairman)	Business	1	1
Mr. Rajeev Gupta	Non-Independent, Executive (Member)	Service	1	1
Mr. Sadhu Ram Bansal	Independent, Non - Executive	Ex - Banker (Former Chairman & MD of Corporation Bank)	1	1

Mr. Kishore Kunal, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

Further, the Risk Management Policy was last updated by the committee members on March 31, 2021 and has also been uploaded on the Company's website at www.kei-ind.com under Investor Relations Section.

11. QUALIFIED INSTITUTIONS PLACEMENT (QIP) COMMITTEE:

The Qualified Institutions Placement Committee was constituted by the Board of Directors of the Company in line with Chapter VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 to frame, implement and monitor the fund raising plan of the Company. Detailed terms of reference of the Committee include, inter-alia, the following powers:

- Offer, issue and allot the Equity Shares, subject to such terms and conditions, as determined by the Committee, in its absolute discretion;
- Determining the terms and conditions of the QIP, including among other things, the date of opening and closing of the QIP, pricing (including the determination of any premium or discount, subject to applicable law) and / or finalising the objects of the QIP and the monitoring of the same;
- Approve, finalise, and execute the preliminary placement document and the placement document and to approve and finalise any bid cum application form, confirmation of allocation notes, and any other documents in this regard;
- Approve, finalise, execute, ratify, and/or amend / modify agreements and documents, including any powers of attorney, lock-up letters, and agreements in connection with the appointment of any intermediaries and / or advisors (including for marketing, listing, trading, and appointment of book running lead managers / legal counsel / bankers / advisors / registrars / any other intermediaries as required) and to pay any fees, commission, costs, charges and other expenses in connection therewith;
- Provide such declarations, affidavits, certificates, consents and / or authorities as required from time to time;
- Seek any consents and approvals, including, among others, consent from the Company's lenders, customers, vendors, and other parties with whom the Company has entered into agreements and from concerned statutory and regulatory authorities;
- File requisite documents with the SEBI, Stock Exchanges, the GoI, the RBI, and any other statutory and / or regulatory authorities, and any amendments, supplements or additional documents in relation thereto, as may be required;
- Seeking the listing of the Equity Shares on the Stock Exchanges, submitting the listing application to such Stock Exchanges and taking all actions that may be necessary in connection with obtaining such listing approvals (both in-principle and final listing and trading approvals);
- Open one or more bank accounts in the name of the Company, as may be required, subject to requisite approvals, if any, and to give such instructions including closure thereof as may be required and deemed appropriate by the Committee;
- Acceptance and appropriation of the proceeds of the QIP;
- Affix the common seal of the Company, as required, on any agreement, undertaking, deed or other document, in the presence of any two directors of the Company or any one director and the Company secretary or one director and such other person as may be authorised by the Committee in accordance with the memorandum of association and articles of association of the Company;
- Further authorize and empower any or director(s) and / or officer(s) of the Company, including by the grant of power of attorneys, to execute and deliver, for and on behalf of the Company, any and all other documents or instruments and doing or causing to be done any and all acts or things as the committee / director(s) / officer(s) may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing, or in connection with the QIP, and any documents or instruments so executed and delivered or acts and things done or caused to be done by director(s) / officer(s) shall be conclusive evidence of the authority of the committee / director(s) / officer(s) and the Company in doing so; and

- do all such incidental and ancillary acts and things as may be deemed necessary, and to give such directions that may be necessary or settle any issues, questions, difficulties or doubts that may arise in regard to or in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions and the members of the Company shall be deemed to have given their approval thereto expressly by the authority of this resolution and all actions taken by the Committee in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects."

During the year ended March 31, 2021, no meeting was held in respect of Qualified Institutional Placement Committee.

The Qualified Institutions Placement Committee comprises of 5 (Five) members. The Composition and attendance of the Committee is as under:

Name of the Director	Category	Profession	No. of Meetings held	No. of Meetings attended
Mr. Anil Gupta	Non-Independent, Executive Director (Chairman)	Business	None	None
Mr. Rajeev Gupta	Non-Independent, Executive Director (Member)	Service	None	None
Mr. Sadhu Ram Bansal	Independent, Non - Executive Director (Member)	Ex - Banker (Former Chairman & MD of Corporation Bank)	None	None
Mr. Kishan Gopal Somani	Independent, Non - Executive Director (Member)	Chartered Accountant	None	None
Mr. Pawan Bholusaria	Independent, Non - Executive Director (Member)	Chartered Accountant	None	None

Mr. Kishore Kunal, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

12. GENERAL BODY MEETINGS:

(a) Location and time where the last three Annual General Meeting was held and special resolution passed thereat:

Year	Day	Date	Time	Venue	Special Resolutions passed
2020	Wednesday	September 09, 2020	02:00 P.M.	D-90, Okhla Industrial Area, Phase - 1, New Delhi - 110020 (through Video Conferencing (VC) and Other audio visual means)(OAVM)	1. Re-appointment of Mr. Rajeev Gupta (holding DIN: 00128865) as Executive Director (Finance) & CFO of the Company.
2019	Tuesday	September 17, 2019	10:00 A.M.	Sri Sathya Sai International Centre, Pragati Vihar, Institutional Area, Lodhi Road, New Delhi-110033	1. Re-appointment of Mr. Vijay Bhushan (holding DIN: 00002421) as an Independent Director (Category: Non-Executive) of the Company for a second term of five (5) consecutive years. 2. Re-appointment of Mr. Pawan Bholusaria (holding DIN: 00092492) as an Independent Director (Category: Non-Executive) of the Company for a second term of five(5) consecutive years.

Year	Day	Date	Time	Venue	Special Resolutions passed
2018	Wednesday	September 19, 2018	10:00 A.M.	Sri Sathya Sai International Centre, Pragati Vihar, Institutional Area, Lodhi Road, New Delhi-110 003	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Anil Gupta (holding DIN: 00006422) as Chairman-cum-Managing Director of the Company. 2. Appointment of Mr. Sadhu Ram Bansal (holding DIN: 06471984) as Independent Director (Non – Executive) of the Company. 3. Approval for Borrowing limits of the Company. 4. Approval for Creation of mortgage/charge on assets of the Company.

(b) Details of Special Resolution passed last year through Postal Ballot, details of voting pattern and procedure thereof and person who conducted Postal Ballot exercise:

No Special Resolution was put through Postal Ballot during last financial year.

(c) Details of special resolution proposed to be conducted through Postal Ballot this year:

Currently, there is no proposal to pass any Special resolution through Postal Ballot. Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

13. MEANS OF COMMUNICATION:

(i) Quarterly Results:

The Company published Un-Audited Financial Results on a quarterly basis. In respect of the fourth quarter, the Company published the audited standalone and consolidated financial results for the whole Financial Year. The Company has published Un-Audited Quarterly/Audited Annual Financial Results as per the format prescribed under SEBI (LODR) Regulations, 2015.

(ii) Newspapers wherein results normally published:

The Quarterly, Half-Yearly, Annual Financial Results of the Company are published in the leading newspaper i.e. Business Standard English (All Editions) and Hindi (Delhi edition).

(iii) Website, where displayed:

The financial results are displayed on the Company's website www.kei-ind.com. Simultaneously, financial results of the Company are also available at www.bseindia.com and www.nseindia.com.

The website of the Company www.kei-ind.com is regularly being updated with the basic information about the Company e.g. details of its business, financial information, shareholding pattern, annual report, quarterly financial results, corporate announcements, press releases, compliance with corporate governance, various policies, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. The Company's website www.kei-ind.com contains a separate dedicated section "Investor Relations" where information related to shareholders is available.

(iv) Official news release:

Yes, the Company regularly publishes an information update on its financial results and also displays official news releases in the investor relations section.

(v) Presentations made to Institutional Investors or to the analyst:

Presentation made to Institutional Investors / Analyst are available on the website of the Company at www.kei-ind.com under the section "Investor Relations".

14. General Shareholders Information:

(i) 29th Annual General Meeting – Date, Day, Time and Venue:

Day	Date	Time	Mode
Wednesday	September 08, 2021	02:00 P.M	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) Company's Registered Office i.e. D-90, Okhla Industrial Area, Phase-I, New Delhi – 110020, will be considered as Venue for the purpose of this Annual General Meeting.

(ii) Financial year:

The Financial year of the Company starts from 1st April of a year and ends on 31st March of the following year.

Adoption of quarterly results for the quarter ending (tentative and subject to change):

June, 2021	5 th week of July, 2021/1 st week of August, 2021
September, 2021	1 st / 2 nd week of November, 2021
December, 2021	1 st / 2 nd week of February, 2022
March, 2022	3 rd / 4 th week of May, 2022

(iii) Dividend Payment:

The Board of Directors of the Company has declared and paid an interim dividend of ₹ 2/- (i.e. 100%) per Equity share on the Equity shares of face value of ₹ 2/- each, during the financial year 2020-21. Payment of interim dividend was done within 30 days from date of declaration i.e. February 26, 2021. The Board has not recommended a final dividend and the interim dividend of ₹ 2/- (i.e. 100%) per Equity share declared by the Board on February 26, 2021 shall be considered as the final dividend for the Financial Year 2020-21. Thus, the total dividend for the Financial Year 2020-21 remains ₹2/- (i.e. 100%) per Equity share on the Equity shares of face value of ₹ 2/- each.

(iv) Name and address of each Stock Exchange(s) at which the Company securities are listed and a confirmation about the payment of annual listing fee to each such Stock Exchange(s):

The Equity Shares of the Company are listed at:

Sr. No	Name of the Stock Exchange	Address of the Stock Exchange
1	BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001
2	National Stock Exchange of India Limited (NSE)	Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
3	The Calcutta Stock Exchange Limited (CSE)	7, Lyons Range, Kolkata-700 001

The Company has paid its up-to-date listing fees to all the stock exchanges viz. BSE, NSE & CSE.

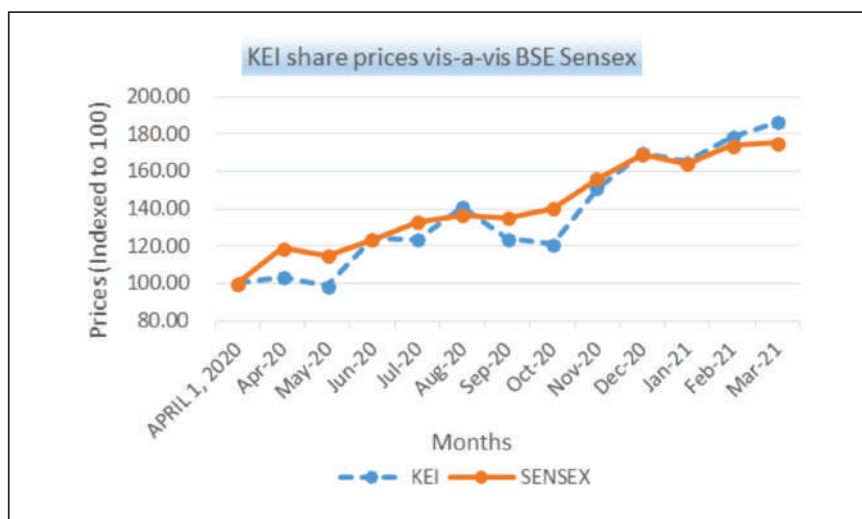
(v) Stock Code:

National Stock Exchange of India Ltd.	:	KEI
BSE Ltd.	:	517569
The Calcutta Stock Exchange Ltd.	:	21180
Trading Symbol of BSE & NSE	:	KEI

(vi) Market Price data - High, low during each month in last financial year:

Month	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2020	325.35	268.35	318.50	268.15
May, 2020	289.90	249.00	289.00	249.00
June, 2020	369.75	283.70	369.90	283.50
July, 2020	397.00	336.45	398.00	336.35
August, 2020	423.80	349.00	426.00	349.80
September, 2020	416.00	335.30	415.70	334.65
October, 2020	358.00	319.30	354.60	319.60
November, 2020	429.40	322.00	429.20	323.45
December, 2020	498.00	415.85	498.60	414.10
January, 2021	529.75	459.70	530.00	458.00
February, 2021	529.00	450.00	529.80	460.45
March, 2021	563.45	480.65	562.85	481.15

(vii) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index, etc:



Note: The Graph indicates monthly closing positions. Shares prices and BSE Sensex are indexed to 100 as on 01st April.

(viii) In case the securities are suspended from trading, the Director's Report shall explain the reason thereof:

Not Applicable.

(ix) Registrar to an Issue and Share Transfer Agent:

MAS SERVICES LTD., T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020, Ph:- +91-11-26387281/82/83, Fax:- +91-11-26387384, E-mail:- info@masserv.com, website : www.masserv.com

(x) Share Transfer System:

With a view to expedite the process of share transfer, the Board of Directors has delegated the power of share transfer to MAS Services Ltd., Registrar and Share Transfer Agent. The Share for transfer received in Physical mode by the Company, are transferred expeditiously and thereafter option letter is sent to the transferee(s) for dematerialization, confirmation in respect of the request for dematerialization of shares is sent to the respective Depositories, i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) within 7 days.

(xi) Distribution Schedule of Shareholding as on March 31, 2021:

No. of Shareholders	% to Total	Shareholding of Nominal Value of (₹)	No. of Shares	Amount in (₹)	% of Total
56659	98.68	0001 TO 5000	6606751	13213502	7.353%
362	0.63	5001 TO 10000	1322649	2645298	1.472%
174	0.303	10001 TO 20000	1315630	2631260	1.464%
50	0.087	20001 TO 30000	619080	1238160	0.689%
25	0.044	30001 TO 40000	438059	876118	0.488%
19	0.033	40001 TO 50000	429497	858994	0.478%
39	0.068	50001 TO 100000	1291635	2583270	1.437%
89	0.155	100001 AND ABOVE	77832137	155664274	86.619%
57417	100.00	TOTAL	89855438	179710876	100.00

Shareholding Pattern as on March 31, 2021:

Category	No. of shareholders	No. of Shares (face value of ₹ 2/- each)	No. of shares in demat form	% of shareholding
Promoters	8	36248466	36248466	40.34
Institutions				
Mutual Funds / Alternate Investment Funds / Bank / Financial Institutions/ FIs/ Foreign Portfolio Investors/ Insurance Companies	125	38304513	38304513	42.63
Non-Institutions				
Bodies Corporate	349	1134853	1134853	1.26
NRI/OCBs/Clearing Members/ Trust	1359	781833	764333	0.88
Individuals / NBFCs Registered with RBI / Unclaimed Suspense A/c IEPF / Directors and their Relatives	55576	13385773	13304007	14.89
Total	57417	89855438	89756172	100.00

(xii) Dematerialization of shares and liquidity:

The shares of the Company are permitted for trading in dematerialized form only. The Company's shares are available for trading in the depository system of both NSDL and CDSL. 89,756,172 equity shares of ₹ 2/- each forming 99.89 % of the share capital of the Company stands dematerialized as on March 31, 2021. Security Code No. with NSDL and CDSL is - ISIN-INE878B01027.

The equity shares of the Company are listed at three Stock Exchanges and thus are liquid security. As on March 31, 2021, 89,855,438 equity shares of face value of ₹ 2/- each are listed at The National Stock Exchange of India Limited (NSE), BSE Limited (BSE) and The Calcutta Stock Exchange Limited (CSE).

(xiii) Outstanding GDRs / ADRs / Warrants / Convertible Instruments, conversion date and likely impact on Equity:

There are no GDRs/ADRs/Warrants outstanding as on March 31, 2021.

(xiv) Commodity price risk or foreign exchange risk and hedging activities:

The Company has in place Risk Management Policy in order to mitigate commodity price risk and foreign exchange risk. Pursuant to this policy natural hedge is maintained and when required forward contracts / cover are also used to cover these exposures.

(xv) Plant locations:

- 1) SP-919, 920 & 922, RIICO Industrial Area, Phase-III, Bhiwadi, Distt. Alwar (Raj.) - 301019.
- 2) 99/2/7, Madhuban Industrial Estate, Village Rakholi, Union Territory of Dadra and Nagar Haveli, Silvassa (D&H)-396 240.
- 3) Plot No. A-280-284, RIICO Industrial Area, Chopanki, Distt. Alwar (Raj.)-301 019.
- 4) Plot No. SP2-874, RIICO Industrial Area, Patherdi, Dist-Alwar (Rajasthan) - 301 019.
- 5) Survey No.1/1/2/5, Village Chinchpada, Silvassa, Union Territory of Dadra and Nagar Haveli - 396230.

(xvi) Address for correspondence:

The shareholders may address their communication/ suggestion/ grievances/ queries to the following:

(a) Registrar and Share Transfer Agent:

MAS SERVICES LTD. (Unit-KEI Industries Limited), T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020, Ph:- +91-11-26387281/82/83, Fax:- +91-11-26387384, E-mail:- info@masserv.com, website : www.masserv.com.

(b) Company:

KEI INDUSTRIES LIMITED, D-90, Okhla Industrial Area, Phase-I, New Delhi - 110020, Ph:-+91-11-26818840, Fax:- +91-11-26811959, E-mail: cs@kei-ind.com, website: www.kei-ind.com

(xvii) Credit Ratings:

Company has obtained credit rating from **India Ratings and Research Private Limited, ICRA Ltd.**, and **CARE Rating Ltd.** Disclosure in this regard is provided in the *Report of the Board of Directors of the Company under the head "Rating by External Rating Agencies"* and the same is also available on the Company's website at www.kei-ind.com under Investor Relations Section.

15. OTHER DISCLOSURES:

(i) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company:

During the period, there have been no materially significant related party transactions with the Company's promoters, Directors, management or their relatives which may have a potential conflict with the interests of the Company. During the Financial Year, all the transactions entered into by the Company with Related party(ies) are in conformity with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Members may refer to Disclosure of transactions with related parties i.e. Promoters, Directors, Relatives, Associate or Management made in the Balance Sheet in Note No. 48.

Pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company framed the Policy on materiality of Related Party Transactions and is available on the website of the Company at www.kei-ind.com under Investor Relations Section.

(ii) Details of non-compliances by the Company, penalties, strictures imposed on the Company by the Stock Exchange(s) or the Board or any statutory authority, or any matter related to capital markets during the last three years:

The Company has complied fully with the requirements of the regulatory authorities on capital markets. There have been no instances of non-compliance by the Company on any matters related to the capital markets during the last three years, nor has any penalty or stricture been imposed on the Company by the Stock Exchanges, Securities Exchange Board of India (SEBI) or any other Statutory Authority.

As already stated in Corporate Governance Report for financial year 2018-19 and 2019-20, the Company made settlement applications to SEBI on August 07, 2017 and November 29, 2018 in respect of matter pertaining to GDR issue in September 2005. The settlement application was without admitting the findings of facts and conclusion of law. SEBI passed a settlement order dated May 16, 2019 in respect of the settlement applications. During FY 2018-19, Company had made provision of ₹ 17.85 million for settlement amount. Pursuant to the settlement order passed by SEBI, amount was paid in full. Possible proceedings against the Company stand settled and closed.

(iii) Details of establishment of Vigil Mechanism / Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has established a Vigil Mechanism / Whistle Blower Policy pursuant to the provisions of Section 177 of the Companies Act, 2013 and rules made thereunder as amended from time to time and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for its Directors and Employees to report the genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

The said policy was last updated by the Board of Directors on February 26, 2021 and has been uploaded on the website of the Company and is available at www.kei-ind.com under Investor Relations Section.

During the year under review, no Director or Employee has been denied access to the Audit Committee.

(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(v) Web link where policy for determining material subsidiaries is disclosed:

In order to adhere the requirement of Regulation 16(1)(c) of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, the Company has adopted a Policy for determining 'Material' Subsidiaries of the Company. The said policy was last updated by the board of directors on February 26, 2021 and disclosed on the website of the Company at www.kei-ind.com under Investor Relations Section.

(vi) Web link where policy on dealing with related party transactions is disclosed:

The Board of Directors has approved a Policy on "Related Party Transactions" and also on dealing with Related Party Transactions and the same was last reviewed by the Board of Directors on February 26, 2021.

The details regarding policy on dealing with related party transactions of the Company are given on the website of the Company at www.kei-ind.com under Investor Relations Section.

(vii) Disclosure of commodity price risks and commodity hedging activities:

The Company has in place Risk Management Policy in order to mitigate commodity price risk and pursuant to this policy natural hedge is maintained and when required forward contracts / cover are also used to cover commodity price exposure.

(viii) Certificate from Company Secretary in Practice:

A certificate has been received from Mr. Sumit Kumar (Membership No. FCS – 7714 & CP No. – 8072), Proprietor of S.K. Batra & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI / Ministry of Corporate Affairs or any such Statutory Authority. The same has been annexed as **Annexure – I** to this Report.

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

M/s. Pawan Shubham & Co., Chartered Accountants (Firm Registration No.: 011573C) has been appointed as the Statutory Auditors of the Company. The particulars of total fees paid by the Company on consolidate basis, to the said Statutory Auditor is given below:

(₹ in million)

Particulars	Amount
Audit Fees	3.60
Limited Review Fee	0.60
Tax Audit	0.60
Corporate Governance	0.20
Certification Fee #	0.10
Other Services	0.28
Total	5.38

Certification Fees for FY 2020-21 is ₹ 1,00,000/- irrespective of number of certificates issued and signed by the Statutory Auditors of the Company.

(x) Complaints pertaining to sexual harassment:

The details of complaints filed, disposed of and pending during the financial year pertaining to sexual harassment is provided in the **Business Responsibility Report** annexed to this Annual Report.

(xi) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:

The Board accepted the recommendations of its Committees, wherever made, during the year.

16. The Company has complied with the requirements of Corporate Governance Report as mentioned in Sub Paras (2) to (10) of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

17. DISCLOSURE OF THE EXTEND TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED:

(i) The Board:

The Company does not have Non-Executive Chairman and no expenses are being incurred & reimbursed in this regard.

(ii) Shareholder's Rights:

The quarterly and half yearly results are not being sent to the personal address of shareholders as the quarterly performance and financial results of the Company are published in the Newspaper having wide circulation in India. The quarterly/ half-yearly/ annual financial results are also posted on the website of the Company www.kei-ind.com. Also, financial results and shareholding pattern of the Company are available at www.bseindia.com & www.nseindia.com.

(iii) Modified opinion(s) in Audit Report:

The Financial Statements of the Company are Un-modified.

(iv) Separate posts of Chairperson and Chief Executive Officer:

Presently, Mr. Anil Gupta is the Chairman-cum-Managing Director and also CEO of the Company.

(v) Reporting of Internal Auditor:

The Internal Auditor of the Company directly reports to the Audit Committee.

18. DISCLOSURE OF COMPLIANCE OF REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause (a) to (s) of Sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DECLARATION BY THE CHAIRMAN & CEO PURSUANT TO CLAUSE D OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, hereby confirm that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management, as approved by the Board, for the financial Year ended March 31, 2021.

Place: New Delhi
Date: July 31, 2021

ANIL GUPTA
Chairman-cum-Managing Director
DIN:00006422

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

OTHER USEFUL INFORMATION FOR SHAREHOLDERS:

(I) Green initiative in Corporate Governance:

The Ministry of Corporate Affairs (MCA), Government of India, through its Circular No. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively and Companies Act, 2013 has allowed the Companies to send official documents / communication to their shareholders electronically as part of its green initiatives in Corporate Governance. Recognizing the spirit of the Circular / Act, the Company proposes to send documents like the Notices convening the General Meetings, Financial Statements, Director's Report, Auditor's Report, etc, to the E-mail address provided by you with your depositories.

We request you to update your e-mail address with your depository participant to ensure that the Annual Report and other documents reach you on your preferred mail.

However, in case you wish to receive the above communication/documents in physical mode or have not registered the e-mail address, you will be entitled to receive the above documents at free of cost by sending your request at cs@kei-ind.com / info@masserv.com quoting your DP ID / Client ID or Folio No. or by sending letter to the Company or Mas Services Ltd (RTA).

In line with 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, and General Circular No. 02/2021 dated January 13, 2021 and SEBI circular dated May 12, 2020 and January 15, 2021 your Company is sending the Notice calling the AGM along with the Annual Report to the shareholders in electronic mode at their email addresses.

(II) Status of Unpaid / Unclaimed Dividend:

Dividend for the Financial Year	Dividend Type	Dividend Declaration date(AGM)	Due Date of Transfer to Investor Education & Protection Fund (IEPF)	Unclaimed Dividend as on 31.03.2021 (₹)
2013-14	Final	19.09.2014	26.10.2021	1,17,381.60
2014-15	Final	16.09.2015	23.10.2022	2,64,451.60
2015-16	Final	06.09.2016	13.10.2023	2,25,733.00
2016-17	Final	19.07.2017	25.08.2024	2,90,363.60
2017-18	Final	19.09.2018	26.10.2025	3,33,521.00
2018-19	Final	17.09.2019	24.10.2026	2,79,434.80
2019-20	Interim	09.03.2020	15.04.2027	4,19,178.00
2020-21	Interim	26.02.2021	04.04.2028	0*

* As on 30.06.2021 the unclaimed interim dividend for the financial year 2020-21 is ₹ 3,88,122.

(III) Nodal Officer:

Mr. Kishore Kunal, Company Secretary & Compliance Officer of the Company has been appointed as Nodal Officer of the Company pursuant to the IEPF rules.

(IV) Codes of Fair Disclosure and Conduct for Prohibition of Insider Trading:

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Practices and Procedures for Fair disclosure of unpublished price sensitive information and Code of Conduct to regulate, monitor and report insider trading by Designated Person(s) and their Immediate Relative(s) in equity shares of the Company by its designated persons and their immediate relatives.

The said code was last updated by the Board of Directors on February 26, 2021 pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015. The updated code is available on the Company's website www.kei-ind.com under Investor Relations Section.

The Executive Director (Finance) & CFO of the Company has been designated as Chief Investor Relation Officer.

For the purpose of monitoring the policy, the Company uses system-based software through which reports and analytics are made available based on the criteria defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015.

(V) Accounting Standards:

The Company follows the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and there has been no deviation in the accounting treatment during the year.

(VI) Internal Control System:

On the recommendation of the Audit Committee, the Company had appointed a firm of Chartered Accountants as the internal auditors of the Company for the financial year 2020-21. Observations made in internal audit reports are presented quarterly to the Audit Committee of the Board. The Company has well established internal control system and procedures and the same has been working effectively throughout the year.

(VII) Subsidiaries / Joint Venture / Associates:

Company has one subsidiary in Australia under the name "KEI Cables Australia PTY Ltd" and one Joint Venture under the name of Joint Venture of "M/s KEI Industries Ltd. New Delhi & M/s Brugg Kabel AG", Switzerland (JV). JV is in form of an Association of Persons (AOP) and the Company is having 100% share in Profit/Loss in this AOP. No share capital is invested in the Joint Venture by the respective members of JV. Company has formed an Associate under name of KEI Cables SA (PTY) Ltd with principal place of business in South Africa. The Associate is in form of a separate entity and the company is holding 49% ownership interest. The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) 110- 'Consolidated Financial Statements' and Indian Accounting Standards (Ind AS) 111 - 'Financial Reporting of interest in Joint Venture' specified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(VII) Transfer/ Transmission/ Transposition of Shares:

As per Regulation 40 of the SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialised form. Members holding shares in physical form are advised to avail the facility of dematerialisation. These provisions are not applicable for transmission (i.e. transfer of title of shares by way of inheritance/ succession) and transposition (i.e. re-arrangement/ interchanging of the order of name of shareholders) cases.

In terms of the relevant SEBI circulars, a copy of the PAN card is to be furnished to the Company in the following cases:

- (a) deletion of name of deceased shareholder(s) where shares are held jointly in the name of two or more shareholders;
- (b) transmission of shares to the legal heirs where shares are held solely in the name of deceased shareholder; and
- (c) transposition of shares where order of names of shareholders are to be changed in the physical shares held jointly by two or more shareholders.

**For and on behalf of
Board of Directors of KEI Industries Limited**

**Place : New Delhi
Date : July 31, 2021**

**(ANIL GUPTA)
Chairman-cum-Managing Director
DIN: 00006422**

**CIN : L74899DL1992PLC051527
Regd. Office: D-90, Okhla Industrial Area,
Phase-I, New Delhi -110020**

CERTIFICATION BY CEO & CFO

**The Board of Directors,
KEI INDUSTRIES LIMITED
D-90 Okhla Industrial Area,
Phase-I, New Delhi-110020**

We, Anil Gupta, Chairman-cum-Managing Director and Rajeev Gupta, Executive Director (Finance) & CFO of KEI INDUSTRIES LIMITED to the best of our knowledge and belief, certify that:

- A. We have reviewed the, Standalone and Consolidated financial statements and cash flow statement for the year ended on March 31, 2021 and based on our knowledge and believe certify that:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain any 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 their knowledge and belief, no transaction entered into by the listed entity during the year ended on March 31, 2021 which are fraudulent, illegal or violative listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to auditors and the audit committee of the Board that there have been:
- 1) no significant changes in internal control over the financial reporting during the year;
 - 2) no significant changes in accounting policies during the year and the same has been disclosed in the notes to the financial statements; and
 - 3) no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

**Place: New Delhi
Date: May 29, 2021**

**(ANIL GUPTA)
Chairman-cum-Managing Director
DIN: 00006422**

**(RAJEEV GUPTA)
Executive Director (Finance) & CFO
DIN: 00128865**

COMPLIANCE CERTIFICATE BY STATUTORY AUDITOR'S PURSUANT TO CLAUSE E OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members of
The KEI Industries Limited

1. The Corporate Governance Report prepared by **The KEI Industries Limited** (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2021. This report is required by the Company for annual submission to the stock exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). 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 Institute of Chartered Accountants of India.
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.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2021, referred to in paragraph 1 above.

Other Matters and Restriction on Use

10. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For PAWAN SHUBHAM & CO.
Chartered Accountants
FRN: 011573C

(CA Pawan Kumar Agarwal)
Partner
Membership Number: 092345
UDIN: 21544869AAAAOJ4971

Date: July 31, 2021
Place of Signature: New Delhi

Certificate from Company Secretary in Practice

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members
KEI Industries Limited
D-90, Okhla Indl Area,
Phase I, New Delhi-110020,

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KEI Industries Limited having registered office at D-90, Okhla Indl Area Phase I New Delhi-110020 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Ensuring the eligibility for the appointment /continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi
Date: April 12, 2021

Sd/-
Sumit Kumar
S.K. Batra & Associates
Company Secretaries
CP NO.: 8072
UDIN: F007714C000067785

Independent Auditor's Report

To The Members of **KEI INDUSTRIES LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **KEI Industries Limited ("the Company")**, which comprise the Standalone Balance Sheet as at 31st March 2021, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone statement of Cash Flows, the Standalone Statement of Changes in Equity for the year then ended, notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the standalone financial statements).

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

Basis for Opinion

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

Key Audit Matters

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

S. No.	Key Audit Matter	Auditor's Response
1	<p>Revenue - Performance Obligations</p> <p>The Company is in the business of manufacturing of various types of Cables, SS Wires and sells to customers both through institutional and dealer network globally.</p> <p>Sales contracts contain various performance obligations and other terms and the determination of when significant performance obligations have been met varies albeit a specific point in time can often be established.</p> <p>As a consequence, the Company has analysed its various sales contracts and concluded on the principles for deciding in which period or periods the company's sales transactions should be recognized as revenue.</p>	<p>Audit Procedure Applied</p> <p>Our audit included but was not limited to the following procedures:</p> <ul style="list-style-type: none"> ● Mapped and evaluated selected systems and processes for revenue recognition and tested a sample of key controls. ● Selecting a sample from each type of the contracts with the customers, and testing the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. ● Tested sample of sales transactions for compliance with the company's accounting principles. ● Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.
2	<p>Revenue - Variable Consideration</p> <p>Revenue is recognized in accordance with Ind AS 115, net of discounts, incentives, and rebates accrued by the Company's customers based on sales.</p> <p>The company uses sales agreement terms & conditions and historical trends to estimate discounts. At the reporting date, the company estimates and accrues for discounts and rebates they consider as having been incurred but not yet paid.</p>	<p>Audit Procedure Applied</p> <p>Our audit included but was not limited to the following procedures:</p> <ul style="list-style-type: none"> ● Understanding the policies and procedures applied to revenue recognition including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Company. ● Carrying out substantive analytical procedures, analysing the actual performance of revenue and cost of sales related to discounts, incentives and rebates etc. ● Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. ● Analysing and discussing with management significant contracts including contractual terms and conditions related to discounts, incentives and rebates used in the related estimates. ● Reviewing disclosures included in the notes to the accompanying financial statements.

S. No.	Key Audit Matter	Auditor's Response
3	<p>Revenue - Over the Period Revenue Recognition</p> <p>The Company is engaged in execution of Engineering, Procurement and Construction projects (EPC) for survey, supply of materials, design, erection, testing & commissioning on a turnkey basis.</p> <p>Revenue is recognized in accordance with Ind AS 115 and Performance obligations in such cases are satisfied over time and accordingly revenue is recognised over the time in such cases. Method used to recognise revenue is also a Key Audit Matter along with measuring progress towards complete satisfaction of performance obligations.</p>	<p>Audit Procedure Applied</p> <p>Our audit included but was not limited to the following procedures:</p> <ul style="list-style-type: none"> ● We tested the relevant internal controls used to ensure the completeness, accuracy and timing of revenue recognised including controls over the degree of completion of EPC projects. ● We evaluated and analysed the significant judgements and estimates made by the management and also reviewed sample contracts with customers to assess whether the method of recognition of revenue is relevant and is consistent with the accounting policies of the company. ● Selecting a sample of contracts for each of the key scope in components and evaluated them along with supporting evidence to determine whether various elements of revenue recognition are assessed in accordance with the principles prescribed under Ind AS 115. ● Tested samples of un-invoiced revenue entries with reference to the reports that records the costs incurred. ● Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.

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

The Company's Board of Directors are responsible for the other information. The other information comprises the letter from the management, Director's Report, Management Discussion and Analysis, Business Responsibility Report and Corporate Governance Report but does not include the standalone financial statements and our auditor's report thereon.

The letter from the management, Director's Report, Management Discussion and Analysis, Business Responsibility Report and Corporate Governance Report are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 standalone 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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the letter from the management, Director's Report, Management Discussion and Analysis, Business Responsibility Report and Corporate Governance Report, if we conclude, that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance

with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures

responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern, basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and

other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income) the Standalone Statement of Cash Flows and Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our

separate report in **Annexure A**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting,

- 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 as at 31st March, 2021 on its financial position in its standalone financial statements –Refer Note No- 44 of standalone financial statements.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31st March 2021.
 - III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2021.
2. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of sub-section (11) of Section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in **Annexure B** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

For PAWAN SHUBHAM & CO.
Chartered Accountants
Firm Registration Number: 011573C

CA Pawan Kumar Agarwal
Place of Signature: New Delhi Partner
Date: 29th May, 2021 Membership Number: 092345
UDIN: 21092345AAAACW6453

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 1(f) of the Independent Auditors’ Report of even date to the members of KEI Industries Limited on the standalone 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 Act

We have audited the internal financial controls over financial reporting of KEI Industries Limited (“the Company”) as of 31st March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an

audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are

being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PAWAN SHUBHAM & CO.
Chartered Accountants
Firm Registration Number: 011573C

CA Pawan Kumar Agarwal

Place of Signature: New Delhi Partner
Date: 29th May, 2021 Membership Number: 092345
UDIN: 21092345AAAACW6453

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 of the Independent Auditors' Report of even date to the members of KEI Industries Limited on the Standalone Financial Statements as of and for the year ended 31st March 2021

- I.
 - a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets (property, plant and equipment).
 - b) The fixed assets (property, plant and equipment) were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets (property, plant and equipment) at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.
 - c) The title deeds of immovable properties, as disclosed in Note -3 on fixed assets (property, plant and equipment) to the financial statements, are held in the name of the Company.
- II. The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material and has been properly dealt with in the books of accounts.
- III. The Company has granted unsecured loans to one subsidiary company and one associate company covered in the register maintained under Section 189 of the Act. There are four parties covered in the register maintained under Section 189 of the Act, to which Company has given security deposits as per contractual obligations (Refer Note - 48 of standalone financial statements).
 - a) In respect of the aforesaid loans and deposits, the terms and conditions under which such deposits were granted are not prejudicial to the Company's interest.
 - b) Loans to subsidiary company and associate

company are repayable on demand and no schedule for payment of interest has been stipulated by the Company, wherever applicable. The company has made provision for impairment of interest along with principal due from associate. Loan given to subsidiary company has been fully impaired, hence, no interest charged from subsidiary. (Refer Note No. 48 of standalone financial statements). For security deposits, repayment of deposits is as per contractual terms and no interest was charged.

- c) In respect of the aforesaid loans and deposits, there is no amount which is overdue for more than ninety days.

IV. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

V. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

VI. Pursuant to the rules made by the Central

Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- VII. a)** According to the records of the Company and information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, Investor education and protection fund, goods and service tax, customs duty and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.

- b)** According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Income Tax, goods and service tax, service tax, value added tax/ sales tax, entry tax, customs duty and excise duty as at 31st March, 2021 which have not been deposited on account of a dispute are as follows:

Name of the Statute	Nature of the Due	Amount (₹ In millions)	Period to which the amount relates	Forum where dispute is pending
Sales/ Entry Tax Act	Central Sales Tax	0.67	1999-2000	Tax Board
	West Bengal Tax on Entry of Goods into Local Areas Act, 2012	7.14	2013-14 to 2017-18	Hon'ble High Court
Central Excise Duty	Excise Duty	0.62	2010-11	Commissioner (Appeals)
	Excise Duty	26.87	2010-11	CESTAT
	Excise Duty	6.80	2011-12	Assistant Commissioner
Finance Act	Service Tax	1.40	2011-12 to 2015-16	Assistant Commissioner
	Service Tax	741.24	2014-15 to 2017-18	Appeal to be filed before CESTAT.
Income Tax Act	Income Tax	14.41	2015-2016 and 2016-17	Commissioner (Appeals)

- VIII.** According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- IX.** The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). Term loans have been applied for the purposes for which they were obtained.
- 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, except for an instance where some of the Employees of the company, in connivance with certain dealers, misappropriated Cables/ Wires, having an estimated value of ₹ 12.12 Millions and for which the Management has taken appropriate steps for recovery of the amount misappropriated. (Refer Note 56.4 of standalone financial statements), we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the Management.
- XI.** 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.** As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- XIII.** The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- XIV.** The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company. The Company made a placement with qualified institutional investors of equity shares during previous year. The amounts raised have been used for the purpose for which funds were raised (Refer Note No. 56.1 of standalone financial statements).
- XV.** The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- XVI.** The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For PAWAN SHUBHAM & CO.
Chartered Accountants
Firm Registration Number: 011573C

CA Pawan Kumar Agarwal
Place of Signature: New Delhi Partner
Date: 29th May, 2021 Membership Number: 092345
UDIN: 21092345AAAACW6453

Standalone Balance Sheet As At 31st March, 2021

(₹ in Millions)

Particulars	Note No.	As at 31 st March, 2021	As at 31 st March, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	4,743.46	4,959.92
(b) Capital Work -in- Progress	4	71.33	112.10
(c) Right of Use Assets	5	609.83	547.08
(d) Intangible Assets	6	17.87	29.21
(e) Financial Assets			
(i) Investments	7	9.08	5.97
(ii) Loans	8	196.22	124.18
(iii) Others Financial Assets	9	4.49	9.29
(f) Other Non-Current Assets	10	29.06	41.48
		5,681.34	5,829.23
Current Assets			
(a) Inventories	11	7,682.21	8,637.83
(b) Financial Assets			
(i) Trade Receivables	12	13,495.71	13,675.86
(ii) Cash and Cash Equivalents	13	2,201.32	1,194.10
(iii) Bank Balances Other Than (ii) Above	14	10.75	948.89
(iv) Loans	15	23.68	29.42
(v) Other Financial Assets	16	214.26	866.53
(c) Income Tax Assets	17	44.37	20.36
(d) Other Current Assets	18	783.12	1,484.34
		24,455.42	26,857.33
TOTAL ASSETS		30,136.76	32,686.56
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	19	179.71	179.01
(b) Other Equity	20	17,596.75	14,888.58
		17,776.46	15,067.59
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	313.54	526.98
(b) Provisions	22	91.23	110.70
(c) Deferred Tax Liability (Net)	23	296.25	309.62
(d) Other Non Current Liabilities	24	238.19	146.24
		939.21	1,093.54
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	2,536.06	2,623.94
(ii) Trade Payables	26		
(A) total outstanding dues of micro enterprises and small enterprises		1,021.22	834.80
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		6,393.10	10,854.88
(iii) Other Financial Liabilities	27	442.35	721.67
(b) Other Current Liabilities	28	897.23	1,389.57
(c) Provisions	29	50.53	81.44
(d) Current Tax Liability (Net)	30	80.60	19.13
		11,421.09	16,525.43
TOTAL EQUITY AND LIABILITIES		30,136.76	32,686.56
Corporate information and summary of significant accounting policies	1 & 2		
Contingent liabilities and commitments	44		
Other notes to accounts	45 to 57		

The accompanying notes are an integral part of the standalone financial statements.

As per our Report of even date attached.

For PAWAN SHUBHAM & CO.

Chartered Accountants

Firm Registration No: 011573C

(PAWAN KUMAR AGARWAL)

Partner

M.No. 092345

(ANIL GUPTA)

Chairman-cum-Managing Director

DIN: 00006422

(KISHORE KUNAL)

GM (Corporate) & Company Secretary

M.No. FCS-9429

(RAJEEV GUPTA)

Executive Director (Finance) & CFO

DIN: 00128865

(ADARSH KUMAR JAIN)

Asst. Vice President (Finance)

M.No. FCA-502048

Place of Signing: New Delhi

Date: 29th May, 2021

Place of Signing: New Delhi

Date: 29th May, 2021

Standalone Statement of Profit & Loss For The Year Ended 31st March, 2021

(₹ in Millions)

Particulars	Note No	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Income			
Revenue from Operations	31	41,814.88	48,842.66
Other Income	32	200.60	164.69
Total Income		42,015.48	49,007.35
Expenses			
Cost of Materials Consumed	33	27,935.82	35,031.60
Purchases of Traded Goods	34	107.71	117.10
Changes in inventory of Finished goods, Traded Goods and Work-in-progress	35	1,053.08	(1,362.44)
Employee Benefits Expenses	36	1,849.43	2,275.90
Finance Costs	37	573.08	1,291.51
Depreciation and Amortisation Expenses	38	578.14	566.89
Sub Contractor Expense for EPC Projects	39	1,493.62	1,606.16
Other Expenses	40	4,770.28	6,213.96
Total Expenses		38,361.16	45,740.68
Profit Before Tax		3,654.32	3,266.67
Tax Expense	41		
---Current tax		958.22	863.94
---Deferred tax (Credit) / Charge		(19.68)	(136.36)
---Short/(Excess) Provision-Earlier Years		(17.32)	(11.94)
Profit for the Year		2,733.10	2,551.03
Other Comprehensive Income	42		
--- Items not to be reclassified to Profit & Loss		15.55	(6.14)
--- Income Tax on above		(6.31)	(4.21)
Other Comprehensive Income for the year net of Tax		9.24	(10.35)
Total Comprehensive Income for the year net of Tax		2,742.34	2,540.68
Earnings per Equity Share:	43		
Equity shares of par value ₹ 2/- each			
--- Basic (₹)		30.46	31.51
---Diluted (₹)		30.17	31.05
Corporate information and summary of significant accounting policies	1 & 2		
Contingent Liabilities and Commitments	44		
Other notes to accounts	45 to 57		

The accompanying notes are an integral part of the standalone financial statements.

As per our Report of even date attached.

For PAWAN SHUBHAM & CO.

Chartered Accountants

Firm Registration No: 011573C

(PAWAN KUMAR AGARWAL)

Partner

M.No. 092345

(ANIL GUPTA)

Chairman-cum-Managing Director

DIN: 00006422

(KISHORE KUNAL)

GM (Corporate) & Company Secretary

M.No. FCS-9429

(RAJEEV GUPTA)

Executive Director (Finance) & CFO

DIN: 00128865

(ADARSH KUMAR JAIN)

Asst. Vice President (Finance)

M.No. FCA-502048

Place of Signing: New Delhi

Date: 29th May, 2021

Place of Signing: New Delhi

Date: 29th May, 2021

STANDALONE STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

Particulars	Balance as at 1 st April, 2020	Change in Equity Share Capital during the year	Balance as at 31 st March, 2021
Nos. of Equity Shares	89,504,438	351,000	89,855,438
₹ in Millions	179.01	0.70	179.71

B. Other Equity

(₹ in Millions)

Particulars	Reserve and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Securities Premium	General Reserve	Employee Stock Option Outstanding	Retained Earnings	Re-Measurement of the Net defined benefit Plans	Equity Instruments through other Comprehensive Income
Balance as at 31st March, 2019	28.00	901.81	21.09	37.50	6,685.74	(29.70)	(13.36)
Impact on account of Adoption of Ind AS 116 (including Deferred Tax thereon) (refer Note No.- 20)					(11.65)		
Restated Balance as at 1st April, 2019	28.00	901.81	21.09	37.50	6,674.09	(29.70)	(13.36)
Profit for the year	-	-	-	-	2,551.03	-	-
Other Comprehensive Income for the Year	-	-	-	-	-	(0.57)	(9.78)
Total Comprehensive Income for the year	-	-	-	-	2,551.03	(0.57)	(9.78)
Employee Stock Compensation cost for the year	-	-	-	136.12	-	-	-
Dividend Paid (including Dividend Distribution Tax) for 2018-19 approved by Shareholders in Annual General Meeting held on 17 th Sep, 2019	-	-	-	-	(114.18)	-	-
Interim Dividend Paid (including Dividend Distribution Tax) for 2019-20 (refer Note No. 20)	-	-	-	-	-	-	-
Share issue expense for QIP	-	(130.73)	-	-	(161.85)	-	(161.85)
Securities Premium on allotment of Equity Shares (ESOS and QIP) during the year	-	5,043.73	-	(44.62)	-	-	-
Balance as at 31st March, 2020	28.00	5,814.81	21.09	129.00	8,949.09	(30.27)	(23.14)
Transfer of Re-Measurement of the Net defined benefit Plans to Retained Earnings	-	-	-	-	(30.27)	30.27	-
Other Comprehensive Income for the Year	-	-	-	-	8.89	-	0.35
Total comprehensive income for the year	-	-	-	-	2,711.72	30.27	0.35
Employee Stock Compensation cost for the year	-	-	-	67.27	-	-	-
Interim Dividend Paid for 2020-21 (refer Note No. 20)	-	-	-	-	(179.71)	-	(179.71)
Securities Premium on allotment of Equity Shares (ESOS) during the year	-	159.00	-	(80.73)	-	-	-
Balance as at 31st March, 2021	28.00	5,973.81	21.09	115.54	11,481.10	-	(22.79)

Corporate information and summary of significant accounting policies
Contingent liabilities and commitments
Other notes to accounts

The accompanying notes are an integral part of the standalone financial statements.

As per our Report of even date attached

For PAWAN SHUBHAM & CO.

Chartered Accountants

Firm Registration No: 011573C

(PAWAN KUMAR AGARWAL)

Partner

M.No. 092345

(ANIL GUPTA)

Chairman-cum-Managing Director

DIN: 00006422

(KISHORE KUNAL)

GM (Corporate) & Company Secretary

M.No. FCS-9429

(RAJEEV GUPTA)

Executive Director (Finance) & CFO

DIN: 00128865

(ADARSH KUMAR JAIN)

Asst. Vice President (Finance)

M.No. FCA-502048

Place of Signing: New Delhi

Date: 29th May, 2021

Place of Signing: New Delhi

Date: 29th May, 2021

Standalone Cash Flow Statement for the Year Ended 31st March, 2021

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
(A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,654.32	3,266.67
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and Amortisation Expenses	578.14	566.89
Dividend received	(0.08)	(0.02)
Interest Income	(41.58)	(132.66)
Interest income on Financial Assets	(1.59)	(2.18)
Interest and other finance cost	554.44	1,275.70
Interest and Financial Charges on Lease Liabilities	18.64	15.81
Employee stock options expense	67.27	136.12
Provision for compensated absence/ Gratuity	(36.52)	(27.81)
Impairment Allowance on Trade Receivables	40.02	22.88
Provision for warranty	(1.44)	3.25
Recognition of lease as per IND AS 116	-	(11.65)
Impairment in Investment in Subsidiary & Associate Company	-	0.01
Bad Debts Written off	33.48	45.35
Unadjusted Credit Balances written off	(0.86)	(6.34)
Impairment in Loans Receivables	0.55	6.98
Impairment in Amount Recoverable	0.01	-
Fair valuation of financial assets	(0.60)	(0.60)
Property, Plant and Equipment Written off	0.27	21.80
(Gain)/ Loss on disposal of Property, Plant and Equipment	1.01	0.97
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	4,865.48	5,181.17
Movements in working capital :		
(Increase)/Decrease in Trade Receivables	106.66	(2,797.87)
(Increase)/Decrease in other financial and non-financial assets	1,287.22	22.17
(Increase)/Decrease in Inventories	955.62	(1,741.46)
Increase/(decrease) in trade payables, other financial and non-financial liabilities and provisions	(4,772.20)	151.38
Cash Generated from operations	2,442.78	815.39
Income tax paid (including TDS) (net)	(903.43)	(946.36)
Net cash flows from/(used in) operating activities (A)	1,539.35	(130.97)
(B) CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment (including Capital Work-In-Progress) and Intangible Assets	(240.03)	(805.30)
Sale of Property, Plant and Equipment	9.11	3.00
Purchase of Investment	-	(1.00)
Interest Income	41.58	132.66
Dividend Received	0.08	0.02
Maturity/(Investment) made in bank deposits (having original maturity of more than 3 months)	943.01	780.93
Net cash flows from/(used in) investing activities (B)	753.75	110.31
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings (Banks)	-	1,024.79
Proceeds from long term borrowings (others)	-	200.00
Repayment of long term borrowings (Banks)	(566.27)	(1,667.17)
Repayment of long term borrowings (Others)	-	(606.25)
Proceeds from finance lease	-	2.94

Standalone Cash Flow Statement for the Year Ended 31st March, 2021

(Contd...)

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Repayment of finance lease	(14.95)	(16.22)
Interest and other Finance Charges	(554.44)	(1,275.70)
Interest and Financial Charges on Lease Liabilities	(18.64)	(15.81)
Inter corporate & other deposits (Net of repayments)	101.78	3.55
Working capital demand Loan - from banks	(333.79)	(1,386.32)
Working capital Loan from banks - Factoring Arrangements	201.16	116.76
Issue of Equity Share Capital (including premium) upon exercise of ESOS	78.98	20.27
Issue of Equity Share Capital (including premium) upon QIP	-	5,000.00
Share issue expenses for QIP	-	(130.73)
Dividend paid to equity shareholders	(179.71)	(228.97)
Dividend Distribution Tax	-	(47.06)
Net cash flows from/(used in) financing activities (C)	(1,285.88)	994.08
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	1,007.22	973.42
Cash & Cash Equivalents as at the beginning of year	1,194.10	220.68
Cash and Cash Equivalents at end of the year (Refer Note no. 13)	2,201.32	1,194.10

CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	Borrowings (Current & Non- Current)	Finance Lease Obligations on Hire Purchase of Vehicles Current Maturities
As at 1st April, 2019	5,956.60	37.80
Proceeds	1,330.34	2.94
Repayment	3,650.01	16.22
Fair Value Changes	5.04	-
As at 31st March, 2020	3,641.97	24.52
Proceeds	346.87	-
Repayment	946.56	14.95
Fair Value Changes	2.57	-
As at 31st March, 2021	3,044.85	9.57

Note :

i The Statement of Cash flows has been prepared under the 'Indirect Method' as set out in Ind AS 7-"Statement of Cash Flows".

ii Amounts in brackets, represent Cash Outflow.

iii Previous Year's figures have been regrouped and rearranged, wherever necessary.

Corporate information and summary of significant accounting policies 1 & 2

Contingent liabilities and commitments 44

Other notes to accounts 45 to 57

The accompanying notes are an integral part of the standalone financial statements.

As per our Report of even date attached.

For PAWAN SHUBHAM & CO.

Chartered Accountants

Firm Registration No: 011573C

(PAWAN KUMAR AGARWAL)

Partner

M.No. 092345

(ANIL GUPTA)

Chairman-cum-Managing Director

DIN: 00006422

(RAJEEV GUPTA)

Executive Director (Finance) & CFO

DIN: 00128865

(KISHORE KUNAL)

GM (Corporate) & Company Secretary

M.No. FCS-9429

(ADARSH KUMAR JAIN)

Asst. Vice President (Finance)

M.No. FCA-502048

Place of Signing: New Delhi

Date: 29th May, 2021

Place of Signing: New Delhi

Date: 29th May, 2021

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

NOTE - 1

1.1 COMPANY OVERVIEW

KEI Industries Ltd (hereinafter referred to as "KEI" or "the Company") is a public limited company incorporated under the provisions of the Companies Act, 1956 having registered office at D-90, Okhla Industrial Area, Phase I, New Delhi-110020, India. It was established as a partnership firm "Krishna Electrical Industries" in the year 1968. The firm was later converted into Limited Company on 31st December 1992.

Equity Shares of the Company are listed at National Stock Exchange of India Ltd (NSE), Bombay Stock Exchange Ltd (BSE) and The Calcutta Stock Exchange Ltd. Company has five manufacturing facilities/plants located at Bhiwadi, Chopanki & Pathredi in Rajasthan and Silvassa and Chinchpada in Dadra and Nagar Haveli and Daman and Diu.

KEI is engaged in the business of manufacturing, sale and marketing of all range of power cables up to 400kV - Low Tension (LT), High Tension (HT) and Extra High Voltage (EHV), Control And Instrumentation Cables, Specialty Cables, Elastomeric/Rubber Cables, Submersible Cables, Flexible And House Wires, Winding Wires which address the cabling requirements of a wide spectrum of sectors such as Power, Oil Refineries, Railways, Automobiles, Cement, Steel, Fertilizers, Textile and Real Estate amongst others. KEI also manufactures Stainless Steel Wires.

KEI is also engaged in execution of Engineering, Procurement and Construction projects (EPC) for survey, supply of materials, design, erection, testing & commissioning on a turnkey basis.

KEI has three major segments Cables, EPC and Stainless Steel Wire.

1.2 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

The Standalone Financial Statements (hereinafter referred as Standalone Financial Statements or the Financial Statements) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on historical cost basis, except for following assets and liabilities:

- i. Certain Financial Assets & Financial Liabilities and Contingent Consideration that are measured at fair value.
- ii. Assets held for sale measured at lower of cost or fair value less cost to sell.
- iii. Defined benefit plan assets measured at fair value.
- iv. Share-based payment liability measured at fair value.

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

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All amounts are stated in Millions of Rupees, rounded off to two decimal places, except when otherwise indicated.

The Standalone Financial Statements for year ended 31st March 2021 were authorized and approved for issue by Board of Directors of the Company on 29th May 2021.

NOTE - 2

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Standalone Financial Statements have been prepared using Accounting Policies and measurement basis summarized below.

2.2 PROPERTY, PLANT AND EQUIPMENT

2.2.1 RECOGNITION

Freehold land is carried at historical cost.

Cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to Statement of Profit and Loss in the period in which costs are incurred.

Borrowing Cost attributable to acquisition, construction of qualifying assets is capitalized until such time as the assets are substantially ready for their intended use. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalised.

2.2.2 SUBSEQUENT MEASUREMENT

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 cost of the item can be measured reliably.

All other repairs & maintenance are charged to Statement of Profit and Loss.

2.2.3 DEPRECIATION

Depreciation on Property, Plant and Equipment is charged on straight line method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by Independent valuer and approved by the Management or rates arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013.

The following useful lives are applied:

Asset category	Estimated useful life (in years)
Land	
- Lease Hold (Finance Lease)	Over the Lease period
- Perpetual Lease	Treated as Freehold Land
Buildings	
- Factory Buildings	30 Years
- Building (other than factory buildings)	60 Years
- Other (including temporary structure, etc.)	05 Years
- Leasehold Building Improvements	Over the Lease period
Plant and Equipment including Project tools	05 - 20 Years
Furniture and Fittings	05 - 10 Years
Motor Vehicles	
- Hire Purchase & Owned	08 - 10 Years
Office Equipment	05 Years
Computers	
- Servers and networks	06 Years
- End user devices viz. desktops, laptops, etc.	03 Years

Leasehold land is amortised on a straight line basis over the unexpired period of their respective lease ranging from 75-95 years. Leasehold improvements are depreciated on straight line basis over their initial agreement period.

Property, Plant and Equipment individually costing upto ₹ 5,000 are fully depreciated in the year of acquisition.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.2.4 DE-RECOGNITION

An item of Property, Plant and Equipment and any significant part initially recognised 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 (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss account when the asset is derecognised.

2.3 CAPITAL WORK IN PROGRESS

Assets in the course of construction are capitalized in capital work in progress account. Capital work-in-progress represents expenditure incurred in respect of assets under development and is carried at cost. Cost includes related acquisition expenses, construction cost, borrowing cost capitalized and other direct expenditure.

At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of Property, Plant and Equipment. Costs are capitalised till the period of commissioning of an asset.

2.4 INTANGIBLE ASSETS

2.4.1 INTANGIBLE ASSETS WITH FINITE USEFUL LIFE

Intangible assets with finite useful life are stated at cost of acquisition, less accumulated depreciation/ amortisation and impairment loss, if any. The cost of Intangible Assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities).

2.4.2 AMORTISATION

Amortisation is recognised in Statement of Profit and Loss account on straight-line basis over estimated useful lives of respective intangible assets, but not exceeding useful lives given here under:

Asset category	Estimated useful life (in years)
Computer Software	05 Years

2.4.3 DE-RECOGNITION

An item of Intangible Asset or any significant part initially recognised 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 (calculated as the difference between net disposal proceeds and carrying amount of the asset) is included in Statement of Profit and Loss Account when asset is derecognised.

2.5 IMPAIRMENT OF NON FINANCIAL ASSETS

Carrying amount of assets is reviewed at each reporting date where there is any indication of impairment based on internal/external indicators. An impairment loss is recognised in Statement

of Profit and Loss where carrying amount exceeds recoverable amount of assets. Impairment loss is reversed, if, there is change in recoverable amount and such loss either no longer exists or has decreased or indication on which impairment was recognised no longer exists.

2.6 FINANCIAL INSTRUMENTS

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

2.6.1 FINANCIAL ASSETS

2.6.1.1 INITIAL RECOGNITION & MEASUREMENT

Financial Assets are recognised when the Company becomes a party to contractual provisions of Financial Instrument.

Financial assets are initially measured at Fair Value. Transaction costs that are directly attributable to acquisition of financial assets (other than financial assets at Fair Value through Profit or Loss) are added to fair value of financial assets. Transaction costs directly attributable to acquisition of financial assets at Fair Value through profit or loss are recognised immediately in statement of Profit and Loss.

2.6.1.2 SUBSEQUENT MEASUREMENT

- i. **Debt Instruments at Amortised Cost-** A 'debt instrument' is measured at amortised cost if both of the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. All other debt instruments are measured at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) based on the Company's business model.

- ii. **Equity Investments** – All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through Profit and Loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) on an instrument to instrument basis.
- iii. **Mutual Funds** – All mutual funds in scope of Ind AS 109 are measured at Fair Value through Other Comprehensive Income (FVOCI)

2.6.1.3 IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are debt instruments, and are measured at amortised cost e.g., Loans, Debt Securities, Deposits and Trade Receivables or any contractual right to receive cash or another financial asset that result from transactions that are within scope of Ind AS 115.

The Company follows 'Simplified Approach' for recognition of impairment loss allowance on trade receivables. Application of simplified approach recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized under the head 'Other Expenses' in the statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

- i. **Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. This allowance reduces the net carrying amount.
- ii. **Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Change in fair value is taken to the statement of Profit and Loss.
- iii. **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at Fair Value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'Accumulated Impairment Amount' in the Other Comprehensive Income (OCI). The Company does not have any Purchased or Originated Credit Impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

2.6.1.4 DE-RECOGNITION OF FINANCIAL ASSETS

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- i. The rights to receive cash flows from asset has expired, or
- ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement and either
 - (a) The Company has transferred substantially all risks and rewards of the asset, or
 - (b) The Company has neither transferred nor retained substantially all risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates, if and to what extent it has retained risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects rights and obligations that the Company has retained.

2.6.2 FINANCIAL LIABILITIES

2.6.2.1 INITIAL RECOGNITION AND MEASUREMENT

Financial liabilities are classified at initial recognition as

- Financial liabilities at fair value through Profit or Loss
- Loans and Borrowings
- Payables

All financial liabilities are recognised initially at fair value and in case of loans and borrowings and payables, they are recognised net of directly attributable transaction costs.

The Company's financial liabilities include Loans and Borrowings including Bank Overdraft, Trade Payable, Trade Deposits, Retention Money, Liabilities towards Services and Other Payables.

Financial Liabilities are classified as at amortised cost.

2.6.2.2 SUBSEQUENT MEASUREMENT

Subsequent to initial recognition, measurement of financial liabilities depends on their classification, as described below:

- i. **Financial liabilities at Fair Value Through Profit or Loss (FVTPL):** Financial liabilities at Fair Value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for purpose of repurchasing in near term.
- ii. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.
- iii. **Loans and Borrowings:** After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (hereinafter referred as EIR) method. Gains and Losses are recognised in statement of profit and loss when liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR amortisation is included as Finance Costs in the statement of profit and loss.
- iv. **Trade and Other Payables:** These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.
- v. **Acceptances:** The Company enters into arrangements for purchase under usance Letter of credit issued by banks under non-fund based working capital limits of the Company. Considering these arrangements are majorly for raw materials with

a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as Acceptances under Trade and other payables.

2.6.2.3 DE-RECOGNITION OF FINANCIAL LIABILITIES

A Financial Liability is de-recognised when obligation under the liability is discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on the previous experience of Management and actual facts of each case and recognised in Other Operating Income if arising during normal course of business. When an existing Financial Liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability. Difference in respective carrying amounts is recognised in the Statement of Profit and Loss.

2.6.3 DERIVATIVE FINANCIAL INSTRUMENTS

In some cases, Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. Method of recognizing resulting gain or loss depends on whether derivative is designated as a hedging instrument, and if so, on nature of item being hedged. Any gains or losses arising from changes in fair value of derivatives are taken directly to statement of profit and loss.

2.6.4 OFFSETTING OF FINANCIAL INSTRUMENTS

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

2.7 INVESTMENTS IN SUBSIDIARIES

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Investments in subsidiaries are carried at cost as per Ind AS 27. Cost comprises price paid to acquire investment and directly attributable cost. The investments in Subsidiaries are carried in these financial statements at historical 'cost', except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

2.8 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to net assets of joint venture. Joint control is contractually agreed sharing of control of an arrangement, which exists only when decisions about relevant activities require unanimous consent of parties sharing control.

An associate is an entity over which the Company has significant influence. Significant influence is power to participate in financial and operating policy decisions of investee but is not control or joint control over those policies.

Investment in joint ventures and associates are carried at cost as per Ind AS 27. Cost comprises price paid to acquire investment and directly attributable cost.

The investments in Associates and Joint Ventures are carried in these financial statements at historical 'cost', except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

2.9 INVENTORIES

2.9.1 BASIS OF VALUATION

- **Finished Goods, Project Materials** are valued at lower of cost or net realisable value.
- **Stores, Spares & Consumables and Packing Materials** are valued at cost.
- **Stock in Process** is valued at lower of cost or net realisable value.
- **Raw Materials** are valued at cost or net realisable value, whichever is lower.
- **Scrap Materials** have been valued at net realisable value.
- **Traded Goods** are valued at lower of cost or net realisable value.

2.9.2 METHOD OF VALUATION

- **Finished Goods** is determined by taking derived material costs, duties and taxes as applicable (other than those recoverable from tax authorities) and other overheads.
- **Project Materials, Traded Goods** is determined on First in First out (FIFO) basis.
- **Packing Materials, Stores & Spares** are determined on weighted average basis.
- **Work in Process** includes raw material costs and allocated production overheads.
- **Raw materials** is determined on First in First out (FIFO) basis.
- **Net realisable value** is estimated selling price in ordinary course of business less estimated costs of completion and estimated costs necessary to make sale.

2.10 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise Cash in Hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and Demand Deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.11 TAXES

2.11.1 CURRENT INCOME TAX

Current Income Tax assets and liabilities are measured at 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, at the reporting date.

Current income tax relating to items recognised outside Profit and Loss is recognised outside

profit and loss (either in Other Comprehensive Income or in Equity). Current tax items are recognised in correlation to underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.11.2 DEFERRED TAX

Deferred Income Taxes are calculated using Balance Sheet Approach, on temporary differences between 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, except when it is probable that temporary differences will not reverse in foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to extent that it is probable that taxable profit will be available against which deductible temporary differences and carry forward of unused tax credits and unused tax losses can be utilized.

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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI 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 same taxation authority.

Tax expense for the year comprises of current tax and deferred tax.

2.11.3 INDIRECT TAXES

Expenses and Assets are recognised net of the amount of Indirect Taxes viz. GST/VAT, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, indirect tax is recognised as part of cost of acquisition of asset or as part of expense item, as applicable.
- ii. When receivables and payables are stated with amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of recoverable or payables in the Balance Sheet.

2.12 EQUITY AND RESERVES

- i. **Share Capital** represents nominal value of shares that have been issued. Any transaction costs associated with issuing of shares are deducted from retained earnings, net of any related income tax benefits.
- ii. **Other Components of Equity** includes Other Comprehensive Income arising from actuarial gain or loss on re-measurement of defined benefit liability and return on plan assets.
- iii. **Retained Earnings** include all current and prior period retained profits.

2.13 DIVIDEND PAYMENTS

Annual dividend distribution to shareholders is recognised as a liability in the period in which dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on Dividend Distribution (if any) is recognised directly in equity.

2.14 REVENUE RECOGNITION

2.14.1 MEASUREMENT OF REVENUE

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

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentive schemes, if any, as per contracts with customers. Taxes collected from customers on behalf of Government are not treated as Revenue.

2.14.2 ENGINEERING, PROCUREMENT AND CONSTRUCTION (EPC) PROJECTS

Performance obligation in case of revenue from long - term contracts is satisfied over the period of time. Since the company creates an asset that the customer controls as the asset is created and the company has an enforceable right to payment for performance completed to date if it meets the agreed specifications. Revenue from long term contracts, where the outcome can be estimated reliably and 10% of the project cost is incurred, is recognized under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The total costs of contracts are estimated based on technical and other estimates. In case of value of uninstalled materials incurred that is not proportionate to the Company's progress in satisfying the performance obligation, revenue is to be recognised at an amount equal to the cost of a good used to satisfy a performance obligation. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities". Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contract.

2.14.3 SALE OF GOODS

Revenue from sale of goods is recognised at the point of time when control of the asset is transferred to the customer, generally on delivery of the equipment. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., Freight and Incentive schemes). In determining the transaction price for the sale of Cable, the Company considers the effects of variable consideration and consideration payable to the customer (if any).

For contracts that are CIF (Cost Insurance Freight) contracts, the revenue is recognised when the goods reached at final destination. For contracts that are FOB (Free on Board) contracts, revenue is recognised when company delivers the goods to an independent carrier.

2.14.4 VARIABLE CONSIDERATION

If consideration in a contract includes a variable amount, the Company estimates amount of consideration to which it will be entitled in exchange for transferring the goods to customer. Variable Consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in amount of cumulative revenue recognised will not occur when associated uncertainty with variable consideration is subsequently resolved. Some contracts for sale of manufactured goods provide customers with a right of Incentives & Discounts. The Incentives and Volume Rebates give rise to variable consideration.

- i. **Cash Discount** which are determinable on the date of transaction, are recognised as reduction of revenue by the company.
- ii. **Volume Discounts, Timely Payment Incentives & Other Incentive Schemes** the Company provides retrospective volume discounts to certain customers once the quantity of products purchased during the period exceed a threshold specified in the contract. Other Incentives promised by the company on achieving certain sales thresholds also a form of identifiable benefit that are identified as a separate component of the sales transaction.

In such cases, the Company estimates fair value of Incentives promised to its customers. To estimate the variable consideration for the expected future rebates and discounts, the Company applies the expected value method. The Company estimates variable consideration and recognises a refund liability for the expected future rebates. Accordingly, the company recognises lesser revenue if such discounts are probable and the amount is determinable. Any subsequent changes in the amount of such estimates are transferred to statement of profit and loss.

- iii. **Other Variable Considerations** if the consideration promised in the contract includes a variable amount, the company estimates the amount of consideration to which the in exchange for transferring the promised goods or services to the customer. This estimate is updated at each reporting date.

2.15 CONTRACT BALANCES

2.15.1 CONTRACT ASSETS & CONTRACT LIABILITIES

Contract Assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned/deferred revenue ("contract liability") is recognised when there is billing in excess of revenue.

2.15.2 TRADE RECEIVABLES

Trade receivables represent 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). Trade Receivables are generally non-interest bearing and are recognised initially at fair value and subsequently measured at cost less provision for impairment.

As a practical expedient the Company has adopted 'Simplified Approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime Expected Credit Losses.

2.16 INCOME RECOGNITION

2.16.1 DIVIDEND INCOME

Dividends are recognised in profit and loss only when the right to receive payment is established.

2.16.2 INTEREST INCOME

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is rate that exactly discounts estimated future cash receipts

through expected life of the financial asset to gross carrying amount of a financial asset. When calculating effective interest rate, the Company estimates expected cash flows by considering all contractual terms of financial instrument but does not consider expected credit losses.

2.16.3 OTHER INCOME

Other claims including interest on outstanding are accounted for when there is virtual certainty of ultimate collection.

2.17 BORROWING COSTS

Borrowing Costs directly attributable to acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of asset. Financing Cost incurred on general borrowing used for projects is capitalized at weighted average cost. Amount of such borrowing is determined after setting off amount of internal accruals. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to borrowing cost.

2.18 EXPENDITURE

Expenses are accounted on accrual basis.

2.19 EMPLOYEE BENEFIT SCHEMES

2.19.1 SHORT-TERM EMPLOYEE BENEFITS

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as related service is rendered by employees.

2.19.2 COMPENSATED ABSENCES

Company provides for encashment of accumulated leaves with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment/availment. The liability is provided based on number of days of unutilized leave at each Balance Sheet date on basis of an independent actuarial valuation.

2.19.3 GRATUITY

Liabilities with regard to gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method and contributed to fund maintained by approved trust and administered through a separate irrevocable trust set up by the Company.

Actuarial gains and losses arising from changes in actuarial assumptions are recognized in Other Comprehensive Income and shall not be reclassified to the Statement of Profit and Loss in subsequent period.

2.19.4 PROVIDENT FUND

Eligible employees of the Company receive benefits from a Provident Fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to provident fund plan equal to a specified percentage of covered employee's salary.

2.20 SHARE-BASED PAYMENTS

Fair Value of options granted under this option plan is recognised as an employee benefit expense with corresponding increase in equity in accordance with recognition and measurement principles as prescribed in Ind AS 102 Share Based Payments.

Total expense is recognised over the vesting period, which is period over which all of specified vesting conditions are to be satisfied. At end of the reporting period, the company revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises impact of revision to original estimates, if any, in profit and loss, with corresponding adjustment to equity.

2.21 FOREIGN CURRENCY

2.21.1 FUNCTIONAL AND PRESENTATION CURRENCY

The Standalone Financial Statements are presented in Indian Rupee ('₹'), which is the Company's functional Currency and presentation Currency.

2.21.2 FOREIGN CURRENCY TRANSACTIONS AND BALANCES

In Standalone Financial Statements of the Company, transactions in currencies other than functional currency are translated into functional currency at exchange rates ruling at date of transaction. Monetary assets and liabilities denominated in other currencies are translated into functional currency at exchange rates prevailing on reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are not retranslated.

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the Other Comprehensive Income.

For Advance Consideration, date of transaction for purpose of determining exchange rate to use on initial recognition of the related asset, expense or income when the Company has received or paid advance consideration in Foreign Currency.

2.22 LEASES

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the company has concluded that no material changes are required to lease period relating to the existing lease contracts.

COMPANY AS A LESSEE

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

SHORT-TERM LEASES AND LEASES OF LOW-VALUE ASSETS

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.23 EARNINGS PER SHARE

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares.

- i. **Basic EPS** is calculated by dividing profit/ (loss) attributable to equity shareholders of the Company by weighted average number of equity shares outstanding during the period.
- ii. **Diluted EPS** is computed using profit/ (loss) for the year attributable to shareholder' and weighted average number of equity and potential equity shares outstanding during the period, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

2.24 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The assessments undertaken in recognising provisions and contingencies have been made in accordance with applicable Ind AS. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

2.24.1 PROVISIONS

Provisions represent liabilities to the Company for which amount, or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost.

2.24.2 WARRANTY PROVISIONS

The Company provides product warranties and does not sell the warranty separately to its customers. Provision for warranty-related costs is recognised when the product is sold, or service is provided to customers. Initial recognition is based on historical experience. The Company periodically reviews the adequacy of product warranties and adjusts warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be within one to two years.

2.24.3 ONEROUS CONTRACTS

An Onerous Contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. If the company identifies a contract as an Onerous Contract, the present obligation under the contract is measured and recognised as provision.

2.24.4 CONTINGENT LIABILITIES

In normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees including Guarantees given on behalf of Subsidiary & Joint Venture Companies are also provided in the normal course of business.

There are certain obligations which management of the Company has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Show Cause Notices received are not treated as Contingent Liabilities.

Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

2.24.5 CONTINGENT ASSETS

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

2.25 CASH FLOW STATEMENT

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows from operating, investing and financing activities of the Company are segregated based on available information.

2.26 SEGMENT REPORTING

- i. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker.
- ii. Revenue and Expenses are identified to segments on the basis of their relationship to the operating activities of the segment.
- iii. Inter segment revenue are accounted for, based on the Arm's Length Price.
- iv. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue / expenses / assets / liabilities".

2.27 MISCELLANEOUS EXPENDITURE

Public issue expenditure/ Share Issue expenses on private placement basis/ 'FCCBs' issue expenditure is being written off against Securities/Share premium, net of taxes, in the year of issue.

2.28 CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in statement of financial position based on current/ non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by Ministry of Corporate Affairs (MCA).

- i. An asset is classified as current when it is:
 - a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
 - b) Held primarily for purpose of trading,
 - c) Expected to be realised within twelve months after reporting period, or
 - d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after reporting period.
- ii. All other assets are classified as non-current.
- iii. A liability is classified as current when it is:
 - a) Expected to be settled in normal operating cycle,
 - b) Held primarily for purpose of trading,
 - c) Due to be settled within twelve months after reporting period, or
 - d) There is no unconditional right to defer settlement of liability for at least twelve months after reporting period.
- iv. All other liabilities are classified as non-current.
- v. Operating Cycle is time between acquisition of assets for processing and their realisation in cash or cash equivalents.
- vi. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.29 FAIR VALUE MEASUREMENT

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

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

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at end of each reporting period.

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

Other Fair Value related disclosures are given in the relevant notes.

2.30 EXCEPTIONAL ITEMS

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments of subsidiaries, associate and joint ventures and impairment losses/write down in the value of investment in subsidiaries, associates and joint ventures and significant disposal of fixed assets.

2.31 SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

Preparation of Standalone Financial Statements requires management to make estimates and assumptions that affect reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of income & expenses during the periods.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances. Although these estimates and assumptions used in accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of date of financial statements which in management's opinion are prudent and reasonable, actual results may differ from estimates and assumptions used in preparing accompanying financial statements.

Any revision to accounting estimates is recognized prospectively from the period in which results are known/ materialise in accordance with applicable Indian Accounting Standards (Ind AS).

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

2.32 SIGNIFICANT MANAGEMENT JUDGEMENTS

Following are Significant Management Judgements in applying Accounting Policies of the Company that have most significant effect on the Financial Statements.

2.32.1 EVALUATION OF INDICATORS FOR IMPAIRMENT OF ASSETS

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of assets.

2.32.2 REVENUE FROM CONTRACTS WITH CUSTOMERS

Certain contracts of the Company for sale of goods include discounts, rebates & Incentives that give rise to variable consideration. The Company determined that estimates of variable consideration are based on its historical experience, business forecast and current economic conditions. The Company determined that expected value method is appropriate method to use in estimating the variable consideration as the large number of customer contracts that have similar characteristics.

2.33 ESTIMATION UNCERTAINTY

Information about estimates and assumptions that have most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

2.33.1 REVENUE RECOGNITION

Where revenue contracts include deferred payment terms, management of the Company determines fair value of consideration receivable using the expected collection period and interest rate applicable to similar instruments with a similar credit rating prevailing at the date of transaction.

2.33.2 COST TO COMPLETE

The Company's management estimate the cost to complete for each project for the purpose of revenue recognition and recognition of anticipated losses of the projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of actual results and future projections with comparison against budget. The process requires monitoring controls including financial and operational controls and identifying major risks facing the Company and developing and implementing initiative to manage those risks. The Company's Management is confident that the costs to complete the project are fairly estimated.

2.33.3 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENT

When fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as Liquidity Risk, Credit Risk and Volatility. Changes in assumptions about these factors could affect reported fair value of financial instruments.

2.33.4 IMPAIRMENT OF FINANCIAL ASSETS

Impairment Provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting 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.

2.33.5 IMPAIRMENT OF INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future market conditions and other parameters that affect the operations of these entities.

2.33.6 INVENTORIES

The Company estimates net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories maybe affected by future technology or other market driven changes that may reduce future selling prices.

2.33.7 RECOVERABILITY OF ADVANCES / RECEIVABLES

The Company from time to time review the recoverability of advances and receivables. Review is done at least once in a financial year and such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

2.33.8 PROVISIONS FOR WARRANTIES

Warranty provisions are determined based on the historical percentage of warranty expense to sales for the same types of goods for which the warranty is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the warranty expense to be accrued. It is very unlikely that actual warranty claims will exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

2.33.9 INCOME TAXES

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between actual results and assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded.

The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by taxable entity and responsible tax authority.

2.33.10 PROVISIONS AND CONTINGENCIES

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

2.33.11 DEFINED BENEFIT OBLIGATION (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the DBO amount and the annual defined benefit expenses.

2.33.12 ESTIMATION OF UNCERTAINTIES RELATING TO THE GLOBAL HEALTH PANDEMIC FROM COVID-19

In view of the unprecedented COVID-19 pandemic and economic forecasts, the Management has evaluated the impact on its financial results for the current quarter and made appropriate adjustment to revenue, debtors provisioning and actuarial assumptions. In assessing the recoverability of its assets including receivables and inventories, the Company has considered internal and external information up to the date of approval of these financial statements including economic forecasts. The Company has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

2.34 STANDARDS AMENDED DURING THE YEAR

The following Accounting Standards have been modified on miscellaneous issues with effect from 24th July 2020. Such changes include clarification/guidance on:

- Ind AS 1 Presentation of Financial Statements – Substitution of the definition of term ‘Material’
- Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors – In order to maintain consistency with Ind AS 1, the respective changes have been made to Ind AS 8.
- Ind AS 10 Events after the Reporting Period – Clarification on the disclosures requirements to be made in case of a material non- adjusting event.
- Ind AS 34 Interim Financial Reporting – In order to maintain consistency with the amendments made in other Ind AS, respective changes have been made to Ind AS 34.
- Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets – Clarification on the accounting treatment for restructuring plans.
- Ind AS 103 Business Combination – Detailed guidance on term ‘Business’ and ‘Business Combination’ along with providing an Optional test to identify concentration of Fair Value.
- Ind AS 107 Financial Instruments: Disclosures – Clarification on certain disclosures to be made in respect of uncertainty arising from interest rate benchmark reforms.
- Ind AS 109 Financial Instruments – Clarification on temporary exceptions from applying specific hedge accounting requirements along with providing guidance on transition for hedge accounting.

The Company does not have any impact of these amendments on its financial statements for the year.

2.35 RECENT PRONOUNCEMENT

On 24th March 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013 to be effective from 1st April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head duly distinguished as current or non current
- Certain additional disclosures in the statement of changes in equity.
- 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 regulatory 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 standalone financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

3. Property, Plant and Equipment:

(₹ in Millions)

Particulars	Freehold Land	Freehold Buildings	Lease hold Land	Lease hold Buildings Improvements	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Asset Taken on Finance Lease - Hire Purchase Vehicles	Computers	Total
Gross Carrying Amount											
As at 1st April, 2019	96.98	1,351.84	317.45	94.08	3,595.41	88.03	50.38	34.56	70.26	69.95	5,768.94
Additions	-	264.28	-	-	721.89	15.48	16.33	10.33	-	14.53	1,042.84
Disposals/Adjustments	-	0.09	-	-	38.63	6.54	0.33	2.41	-	13.19	61.19
Transfer to Right of Use Assets*	-	-	317.45	94.08	-	-	-	-	70.26	-	481.79
As at 31st March, 2020	96.98	1,616.03	-	-	4,278.67	96.97	66.38	42.48	-	71.29	6,268.80
Additions	-	9.89	-	-	269.12	2.60	5.92	2.92	-	2.06	292.51
Disposals/Adjustments	-	-	-	-	11.94	-	6.83	-	-	0.06	18.83
Transfer from Right of Use Assets	-	-	-	-	-	-	20.84	-	-	-	20.84
As at 31st March, 2021	96.98	1,625.92	-	-	4,535.85	99.57	86.31	45.40	-	73.29	6,563.32
Depreciation and Impairment											
As at 1st April, 2019	-	117.93	10.68	48.23	616.01	36.04	16.19	12.25	14.60	40.24	912.17
Depreciation charge for the year	-	52.56	-	-	410.29	11.68	6.44	7.37	-	17.30	505.64
Impairment	-	-	-	-	-	-	-	-	-	-	-
Disposals/Adjustments	-	0.04	-	-	17.74	4.67	0.28	1.50	-	11.19	35.42
Transfer to Right of Use Assets*	-	-	10.68	48.23	-	-	-	-	14.60	-	73.51
As at 31st March, 2020	-	170.45	-	-	1,008.56	43.05	22.35	18.12	-	46.35	1,308.88
Depreciation charge for the year	-	56.35	-	-	419.71	9.73	10.51	7.60	-	11.81	515.71
Impairment	-	-	-	-	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	3.70	-	4.71	-	-	0.04	8.45
Transfer from Right of Use Assets	-	-	-	-	-	-	3.72	-	-	-	3.72
As at 31st March, 2021	-	226.80	-	-	1,424.57	52.78	31.87	25.72	-	58.12	1,819.86
Net Carrying value											
As at 31st March, 2021	96.98	1,399.12	-	-	3,111.28	46.79	54.44	19.68	-	15.17	4,743.46
As at 31st March, 2020	96.98	1,445.58	-	-	3,270.11	53.92	44.03	24.36	-	24.94	4,959.92

3.1 (a) Refer note no. 21 & 25 for Property, Plant & Equipment pledged as security.

(b) *Transferred to "Right of Use Assets" at net Value as per Ind AS 116.

4. Capital Working Progress:

(₹ in Millions)

Particulars	Building	Plant & Equipment	Furniture & Fixtures	Leasehold Building Improvement (ROU)	Construction Period Expenses Pending Allocation	Total
As at 1st April , 2019	160.79	134.55	3.35	-	17.37	316.06
Additions	104.81	597.07	10.11	-	26.25	738.24
Transfer to PPE/ROU	264.20	620.93	13.45	-	43.62	942.20
As at 31st March, 2020	1.40	110.69	0.01	-	0.00	112.10
Additions	13.90	143.37	0.63	7.45	2.00	167.35
Transfer to PPE/ROU	9.08	196.40	0.64	-	2.00	208.12
As at 31st March, 2021	6.22	57.66	-	7.45	0.00	71.33
Net Carrying value						
As at 31st March, 2021	6.22	57.66	-	7.45	0.00	71.33
As at 31st March, 2020	1.40	110.69	0.01	-	0.00	112.10

4.1 (a) Contractual commitments for the acquisition of Property, Plant & Equipment ₹ 156.49 Millions (Previous Year ₹ 159.11 Millions).

(b) Amount of Borrowing Costs Capitalised during the year in accordance with Ind AS - 23 "Borrowing Cost". Asset wise break up of borrowing cost capitalized is given as below:

(₹ in Millions)

Particulars	31 st March, 2021	31 st March, 2020
Building	-	11.40
Plant & Equipment	-	15.46
Furniture & Fixtures	-	0.39
Total Borrowing Cost Allocated to Assets during the year	-	27.25
Borrowing Cost Pending allocation for future years	-	-

(c) Capitalization rate Nil, (Previous Year 9.31%) has been used to determine amount of borrowing cost eligible for capitalization.

5. Right of Use Assets:

(₹ in Millions)

Particulars	Lease hold Land	Lease hold Buildings Improvements	Buildings & Warehouses	Asset Taken on Finance Lease - Hire Purchase Vehicles	Total
Gross Carrying Amount					
As at 1st April, 2019	306.77	45.85	170.32	55.66	578.60
Additions	-	2.39	12.61	2.94	17.94
Disposals/Adjustments	-	-	-	-	-
As at 31st March, 2020	306.77	48.24	182.93	58.60	596.54
Additions	-	-	130.89	-	130.89
Disposals/Adjustments	-	-	-	-	-
Transfer to PPE	-	-	-	20.84	20.84
As at 31st March, 2021	306.77	48.24	313.82	37.76	706.59
Depreciation and Impairment					
As at 1st April, 2019	-	-	-	-	-
Depreciation charge for the year	3.53	6.76	30.62	8.55	49.46
Impairment	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-
As at 31st March, 2020	3.53	6.76	30.62	8.55	49.46
Depreciation charge for the year	3.60	6.52	35.93	4.97	51.02
Impairment	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-
Transfer to PPE	-	-	-	3.72	3.72
As at 31st March, 2021	7.13	13.28	66.55	9.80	96.76
Net Carrying value					
As at 31st March, 2021	299.64	34.96	247.27	27.96	609.83
As at 31st March, 2020	303.24	41.48	152.31	50.05	547.08

5.1 (a) For Disclosures related to Ind AS 116 refer Note No. 47.

(b) Leasehold Land represents land obtained on long term lease from Government Authorities and are considered as Finance Lease.

(c) Refer note no. 21 & 25 for Right of Use Assets pledged as security.

6. Intangible Assets:

(₹ in Millions)

Particulars	Other Intangibles (Computer software)	Total
Gross Carrying amount (at cost)		
As at 1st April, 2019	56.00	56.00
Additions during the year	11.22	11.22
Adjustments	-	-
As at 31st March, 2020	67.22	67.22
Additions during the year	0.08	0.08
Adjustments	0.02	0.02
As at 31st March, 2021	67.28	67.28

Particulars	Other Intangibles (Computer software)	Total
Accumulated Amortization		
As at 1st April, 2019	26.22	26.22
Additions during the year	11.79	11.79
Adjustments	-	-
As at 31st March, 2020	38.01	38.01
Amortization	11.41	11.41
Disposals/Adjustments	0.01	0.01
As at 31st March, 2021	49.41	49.41
Net Carrying value		
As at 31st March, 2021	17.87	17.87
As at 31st March, 2020	29.21	29.21

7. Investments:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
1 Investments Equity Instruments (Quoted and Unquoted)		
a) In Subsidiary*	-	-
b) In Associate**	-	-
c) Others *** (Investments at fair value through OCI)	4.68	2.80
Total Investments in Equity Instruments	4.68	2.80
2 Investments Mutual Funds (Unquoted) (Investments at fair value through OCI)		
a) Investments in Mutual Funds****	4.40	3.17
Total Investments in Mutual Funds	4.40	3.17
3 Investment in AOP (Unquoted) (Investments at Cost)		
a) Investments in Joint Venture of KEI Industries Ltd New Delhi & Brugg Kabel AG Switzerland	-	-
Total Investments in AOP	-	-
Total Investments	9.08	5.97
* Investments in Subsidiary (at cost)		
--- KEI Cables Australia PTY LTD (principal place of business - Australia) 180 (Previous Year 180) Equity Shares of 1 AUD each fully paid	0.01	0.01
Less: Provision for Impairment	0.01	0.01
Net Investment in Subsidiary	-	-
** Investments in Associates (at cost)		
-- KEI Cables SA (PTY) Limited (principal place of business - South Africa) 490 (Previous Year 490) Equity Shares of 1 ZAR each fully paid - ₹ 2,351 (Previous year ₹ 2,351)	0.00	0.00
Less: Provision for Impairment ₹ 2,351 (Previous year ₹ 2,351)	0.00	0.00

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Net Investment in Associate	-	-
*** Investment in Equity Shares (Quoted)		
--- State Bank of India 670 (Previous Year 670) Equity Shares of ₹ 1 each fully paid	0.24	0.13
.--- PNB Gilts Limited 8000 (Previous Year 8000) Equity Shares of ₹ 10 each fully paid	0.38	0.19
.--- Punjab National Bank 11000 (Previous Year 11000) Equity Shares of ₹ 2 each fully paid	0.40	0.36
.--- Bank of Baroda (formerly Dena Bank) 285 (Previous Year 285) Equity Shares of ₹ 2 each	0.02	0.02
.---ICICI Bank Limited 4950 (Previous Year 4950) Equity Shares of ₹ 2 each fully paid	2.88	1.60
.---YES Bank Limited 1270 (Previous Year 1270) Equity Shares of ₹ 2 each fully paid (953 Equity shares are blocked for trading up to 13 March, 2023)	0.02	0.03
.---Jaypee Infratech Limited 5000 (Previous Year 5000) Equity Shares of ₹ 10 each fully paid	0.01	0.00
---Technofab Engineering Limited 104228 (Previous Year 104228) Equity Shares of ₹ 10 each fully paid	0.73	0.47
Total Equity Investments (FVOCI)	4.68	2.80
**** Investment in Mutual Funds (Unquoted)		
.---UTI-Opportunities Fund-Growth 11770.711 (Previous Year 11770.711) Units of ₹ 10 each	0.98	0.55
---L192D SBI PSU Fund-Regular Plan-Dividend 212944.872 (Previous Year 212944.872) Units of ₹ 10 each	2.25	1.62
---INF955L01II9 Baroda Equity Savings Fund-Regular Growth 99990 (Previous Year 99990) Units of ₹ 10 each	1.17	1.00
Total investments in Mutual Funds (FVOCI)	4.40	3.17
Aggregate value of quoted investments	28.62	28.62
Aggregate Market value of quoted investments	4.68	2.80
Aggregate value of unquoted investments	3.30	3.30
Aggregate amount of impairment in value of investments	0.01	0.01

8. Loans:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Loans Secured, considered good	-	-
Loans Unsecured, considered good		
Security Deposits to Related Parties	1.22	0.15
Security Deposits to Others	192.75	121.07
Loans to Workers & Staff	2.25	2.96
Loans having Significant increase in Credit Risk	-	-
Loans Credit Impaired	-	-
Total	196.22	124.18

For Related Parties disclosures refer note no. 48.

9. Other Financial Assets:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed Deposits with banks having more than 12 month Maturity	3.10	7.87
Unpaid Dividend Bank Account *	1.39	1.42
Total	4.49	9.29

* Balance in unpaid dividend bank account can only be used towards settlement of dividend unclaimed by shareholders of the company or by transfer to Investor Education Protection Fund.

(₹ in Millions)

9.1

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed Deposits under lien/custody with Banks /Others	1.91	7.87

10. Other Non-Current Assets:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Capital Advances (unsecured, considered good)	28.14	39.93
Others :		
--- Prepaid Expenses	0.92	1.55
Total	29.06	41.48

11. Inventories:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Raw Materials Including In Transit	2,076.67	1,772.06
Work -in- Progress	1,776.97	1,766.00
Finished Goods Including in Transit	3,405.53	4,456.53
Traded Goods	23.97	20.70
Stores & Spares Including In Transit	89.54	86.45
Project Materials Including In Transit	191.16	389.50
Packing Materials	85.67	97.57
Scrap Materials	32.70	49.02
Total	7,682.21	8,637.83

11.1 Break-up for Goods-In-Transit:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
--- Finished Goods	529.96	1,202.73
--- Raw Materials	167.73	489.83
--- Stores & Spares	15.47	0.05
--- Project Materials	-	5.29
Total	713.16	1,697.90

11.2 Inventory held at Net Realizable Value:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
--- Finished goods	520.49	185.50

11.3 Inventories held by third parties amounting to ₹ 22.65 millions (31st March, 2020 ₹ 61.31 millions).

11.4 Refer Note no. 25.1 for Inventories hypothecated as security against bank borrowings.

11.5 For valuation of Inventory refer Note no 2.9.

12. Trade Receivables:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Trade Receivables		
Secured, Considered Good	-	-
Unsecured, Considered Good	13,673.25	13,790.19
Receivables having Significant Increase in Credit Risk *	41.73	64.92
Receivables Credit Impaired*	-	10.78
Total Trade Receivables (Gross)	13,714.98	13,865.89
Less: Expected Credit Loss (ECL)	200.96	160.94
Less: Impairment Allowance for Trade receivable - Significant Increase in Credit Risk *	18.31	18.31
Less: Impairment Allowance for Trade receivable - Credit Impaired *	-	10.78
Total Impairment Allowance	219.27	190.03
Total	13,495.71	13,675.86

12.1 No trade or other receivable are due from directors or officers of company either severally or jointly with other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

12.2 The carrying amount of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, Company has transferred the relevant receivables to factor in exchange for cash and is prevented from selling or pledging the receivables. However, Company has retained late payment and credit risk. Company therefore continues to recognize transferred assets in their entirety in its Balance Sheet. Amount repayable under the factoring arrangement is presented as secured borrowing.

Relevant carrying amounts are as follows: (₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Total Transferred Receivables	1,573.71	1,372.55
Associated Secured Borrowing (Refer Note No. 25)	1,573.71	1,372.55

12.3 Trade Receivables are usually non interest bearing and are on trade terms of 90 days.

12.4 * Includes Trade Receivable and impairment allowance thereon for Related Parties disclosures refer note no. 48.

12.5 For credit risk and movement in impairment allowances refer note no. 52.2.

13. Cash and Cash Equivalents:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Cash in Hand	2.37	2.87
Balances with Banks		
--- Current Accounts	406.51	85.94
--- Fixed Deposits with less than 3 month maturity	1,785.36	1,098.63
--- Fixed Deposits with Banks as Deposits Repayment Reserve Account*	7.08	6.66
Total	2,201.32	1,194.10

* Deposits Repayment Reserve Account is created as per requirement of Sec. 73 of Companies Act, 2013. (₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed Deposits under lien/custody with Banks /Others	35.36	181.22

14. Bank Balances other than Cash and Cash Equivalents:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed Deposits with original maturity of more than 3 months but less than 12 months*	3.12	941.35
Unpaid Dividend Accounts	0.54	0.45
Fixed Deposits with Banks as Deposits Repayment Reserve Account**	7.09	7.09
Total	10.75	948.89

** Deposits Repayment Reserve Account is created as per requirement of Sec. 73 of Companies Act, 2013.

(₹ in Millions)

14.1	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
	* Fixed Deposits under lien/custody with Banks / Others	3.12	940.75

15. Loans:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Unsecured, Considered Good		
Security Deposits to Related Parties*	4.92	4.46
Security Deposits to Others	9.17	9.96
Loans to Related Parties*	-	0.14
Loans to Workers & Staff	4.37	10.40
Total	18.46	24.96
Loan Receivables - Having Significant increase in credit risk		
Loans to Related Parties		
-Associate Company KEI Cables SA (PTY) Limited	10.50	9.74
- Less: Impairment in Loans Receivables	5.28	5.28
Total	5.22	4.46
Loan Receivables - Credit Impaired		
Loans to Related Parties		
-Subsidiary Company " KEI Cables Australia PTY LTD"	2.26	1.71
- Less: Impairment in Loans Receivables	2.26	1.71
Total	-	-
Total	23.68	29.42

*For Related Parties disclosures refer note no. 48.

16. Other Financial Assets:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Contract Assets (Refer Note 45.2)	214.26	866.53
	214.26	866.53

17. Income Tax Assets:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Income Tax Refundable (Net of provision for taxation)	44.37	20.36
	44.37	20.36

18. Other Current Assets:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Advances other than capital advances		
--- Advances to Related Parties	-	0.54
--- Advances to Suppliers	226.39	500.99
--- Advances/Amount Recoverable*	31.30	30.12
Others		
--- Interest Accrued	4.49	18.91
--- Prepaid Expenses	24.06	43.63
--- Earnest Money	34.08	48.25
--- Claims Recoverable from Government	462.80	841.90
Total	783.12	1,484.34

18.1 Break-up of Advance to Related Parties:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Recoverable from Joint Venture "Joint Venture of KEI Industries Ltd New Delhi & Brugg Kable AG Switzerland"	-	0.54
Total	-	0.54
Recoverable from Subsidiary Company "KEI Cables Australia PTY LTD"	0.01	-
- Less: Impairment in Amount Recoverable	0.01	-
Total	-	-
Total	-	0.54

19. Equity Share Capital:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Authorized		
110,000,000 (Previous Year 110,000,000) Equity Shares of ₹ 2/- each	220.00	220.00
300,000 (Previous Year 300,000) Preference Shares of ₹ 100/- each	30.00	30.00
Total	250.00	250.00
Issued, Subscribed & Paid-up		
89,855,438 (Previous Year 89,504,438) Equity shares of ₹ 2/- each fully paid	179.71	179.01
Total	179.71	179.01

19.1 Rights, preferences and restrictions attached to shares:

Equity Shares: The company has issued one class of equity shares having par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend 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. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

19.2 Reconciliation of Number of Equity Shares:

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	Nos.	₹ in Millions	Nos.	₹ in Millions
Balance as at the beginning of the year	8,95,04,438	179.01	7,89,25,438	157.85
Add: Issued during the year through ESOP*	3,51,000	0.70	5,79,000	1.16
Add: Issued during the year through QIP	-	-	1,00,00,000	20.00
Balance as at the end of the year	8,98,55,438	179.71	8,95,04,438	179.01

* Equity Shares of face value ₹ 2/- each issued to eligible employees of the Company under KEI Employees Stock Option Scheme-2015.

19.3 List of Equity Shareholders holding more than 5% of the aggregate Equity Shares:

Name of shareholder	As at 31 st March, 2021		As at 31 st March, 2020	
	Nos.	% age	Nos.	% age
Mr. Anil Gupta	1,36,80,776	15.23%	1,36,80,776	15.29%
M/s Projection Financial and Management Consultants Private Limited	79,00,000	8.79%	79,00,000	8.83%
M/s Anil Gupta HUF beneficiary	46,50,375	5.18%	46,50,375	5.20%
Mr. Anil Gupta				
Franklin Build India Fund	46,75,000	5.20%	47,56,179	5.31%

19.4 During the year 2016-17, 5,60,000 equity shares of ₹ 2 each fully paid were issued under KEI Stock Option Scheme, 2015.

During the year 2017-18, 5,64,000 equity shares of ₹ 2 each fully paid were issued under KEI Stock Option Scheme, 2015.

During the year 2018-19, 5,64,000 equity shares of ₹ 2 each fully paid were issued under KEI Stock Option Scheme, 2015.

During the year 2019-20, 5,79,000 equity shares of ₹ 2 each fully paid were issued under KEI Stock Option Scheme, 2015.

During the year 2019-20, 100,00,000 equity shares of ₹ 2 each fully paid were issued to Qualified Institutional Buyers under QIP.

During the year 2020-21, 3,51,000 equity shares of ₹ 2 each fully paid were issued under KEI Stock Option Scheme, 2015.

19.5 Equity Shares reserved and issued under KEI Employees Stock Option Scheme, 2015:

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
	Nos. of shares	Nos. of shares
Options available under ESOS, 2015		
-- Options available at the beginning of the year	13,95,000	5,79,000
-- Options granted during the year	-	13,95,000
-- Equity Shares issued during the year		
Under KEI ESOS 2015 option Plan: equity shares of ₹ 2 each.	3,51,000	5,79,000
-- Options lapsed during the year	3,22,000	-
-- Options available at the close of the year	7,22,000	13,95,000

For terms and other details of KEI ESOS, 2015 refer note no 46.

20. Other Equity:

Refer Statement of Changes in Equity for detailed movement in other Equity balances:

A. Summary of Other Equity balance:

(₹ in Millions)

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
Capital Reserve		28.00		28.00
Securities Premium				
Opening balance	5,814.81		901.81	
Add: On allotment of Equity Shares	159.00		5,043.73	
Less: Share Issue Expenses (net of GST credit)	-	5,973.81	130.73	5,814.81
General Reserve		21.09		21.09
Retained Earnings				
Opening balance	8,949.09		6,685.74	
Add: Profit for the year	2,733.10		2,551.03	
Add: Transfer from Other Comprehensive Income	(30.27)		-	
Add: Re-Measurement of the Net defined benefit Plans	8.89		-	
Less: Impact on account of Adoption of Ind AS 116 [#]	-		11.65	
Less: Interim equity dividend*	179.71		134.26	
Less: Final equity dividend	-		94.71	
Less: Tax on Interim equity dividend*	-		27.59	
Less: Tax on Final equity dividend	-	11,481.10	19.47	8,949.09
Employee Stock Options Outstanding		115.54		129.00
Other Comprehensive Income				
Opening Balance	(53.41)		(43.06)	
Less: Transfer to Retained Earnings	(30.27)		-	
Add: Addition during the year	0.35	(22.79)	(10.35)	(53.41)
Total		17,596.75		14,888.58

* The Company declared and paid an interim dividend of ₹ 2.00/- per equity share (100%) on February 26, 2021, resulting in cash out flow of ₹ 179.71 Millions, for the Financial year 2020-21. The Board has proposed that this may be treated as final dividend.

The Company declared and paid an interim dividend of ₹ 1.50/- per equity share (75%) on March 9, 2020, resulting in cash out flow of ₹ 161.85 Millions (including dividend distribution tax), for the Financial year 2019-20.

[#] The Company adopted IND AS 116 from 01.04.2019.

B. Nature and purpose of Reserves:

- Capital Reserve:** Subscribed capital forfeited due to non- receipt of call money treated as Capital reserve.
- Securities Premium:** Amount received in excess of face value of the equity shares is recognized in Securities Premium. In case of equity-settled share based payment transactions difference between fair value on grant date and nominal value of share is accounted as Securities Premium. The QIP issue expenses have been adjusted with securities premium account, net of taxes, if any.
- Employee Stock Options Outstanding:** Fair value of equity-settled share based payment transactions with employees is recognized in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding.
- General Reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to General Reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to General Reserve is not required under the Companies Act, 2013.
- Retained Earnings:** Retained earnings are the profits that the Company has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders.

21. Borrowings:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(i) Secured		
Term Loan		
-- Term Loans from Banks	50.00	156.24
-- External Commercial Borrowings from a Bank	146.51	301.72
Total Term Loan	196.51	457.96
Finance Lease Obligations on Hire Purchase of Vehicles	0.55	9.57
(ii) Unsecured		
Deposits		
-- Public Deposits	37.98	23.80
-- Deposits from Related Parties	78.50	35.65
Total	313.54	526.98

21.1 Nature of Security and Repayment Terms of Term Loan:

(₹ in Millions)

Sl. No.	Nature of Facility	Currency	Tenure end date	Nominal Interest Rate	As at 31 st March, 2021	As at 31 st March, 2020
1	Secured Term Loan from Bank	USD	Sep, 2020	Fixed all inclusive cost of maximum of 4.85% p.a	-	106.55
2	External Commercial Borrowing from a Bank	USD	Dec, 2022	Floating 3 month LIBOR + 190 BPS	292.31	421.56
3	Secured Term Loan from Bank	INR	Aug, 2020	Floating 6 Month MCLR + 0.25% p.a	-	80.96
4	Secured Term Loan from Bank	INR	Sep, 2022	Floating 6 Month MCLR + 0.00% p.a	100.00	250.00
5	Secured Term Loan from Bank	INR	July, 2020	Floating 1 year MCLR + 0.25% p.a	-	99.51
Total					392.31	958.58
Less: Current Maturities of Long term Borrowings (Note no. 27)					195.80	500.62
Non-Current Borrowings (Note no. 21)					196.51	457.96

21.2 Term Loans from Banks are Secured by a first Pari passu charge over Land & Building, Plant & Machinery and other movable Property, Plant and Equipment located at the Company's Plants at SP-919 RIICO Industrial Area Phase- III Bhiwadi; SP 2/874 RIICO Industrial Area Pathredi; 99/2/7 Madhuban Industrial Estate village Rakholi Silvassa and Survey no.1/1/2/5, Village Chinchpada, Silvassa. 2nd charge on Plot No. A 280-284, Chopanki in favour of SBI Gift City Gandhinagar Branch for ECB Loan. Further these loans are secured by personal guarantee of Shri Anil Gupta Chairman-cum-Managing Director of the Company.

- 21.3** Finance Lease Obligations are taken from scheduled banks and are secured against hypothecation of vehicles. The Rate of interest on such loans varies between 8.50% to 9.51%.
- 21.4** Unsecured Deposits are repayable within 3 years from the date of acceptance. The Company has not defaulted in repayment of deposits.
- 21.5** For Related Parties disclosures refer note no. 48.
- 21.6** The Company has not defaulted on any loans payable during the year and has satisfied all debt covenants prescribed by lenders.

22. Provisions:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Employee benefits		
---Provision for Compensated Absences	91.23	110.70
	91.23	110.70

For movement in provision refer note no. 29.1

23. Deferred Tax Liability (Net):

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Deferred Tax Liability :		
Additional depreciation/amortization on PPE and Intangible Assets	461.94	449.10
Additional depreciation/amortization on PPE and Intangible Assets- Other Jurisdiction	0.60	0.32
Other timing differences	0.34	1.05
Total Deferred Tax Liabilities	462.88	450.47
Deferred Tax Asset :		
Liabilities / provisions that are deducted for tax purposes when paid	23.87	26.37
Provision for doubtful debts/impairment allowance	57.09	49.59
Defined benefit obligations	7.19	10.74
Long term capital loss on shares	-	2.76
Right of use assets	68.34	42.90
Other timing differences	10.14	8.49
Total Deferred Tax Assets	166.63	140.85
Net Deferred Tax Liabilities	296.25	309.62

23.1 Movement in Deferred Tax Assets:

(₹ in Millions)

Particulars	Provision for doubtful debts/ loans/ advances that are deducted for tax purposes when written off	Defined benefit obligations	Liabilities / provisions that are deducted for tax purposes when paid	Other items- Other Jurisdiction *	Other items	Total deferred tax assets
As at 1st April, 2019	58.41	15.85	66.81	-	12.48	153.55
-- Profit and Loss	(8.82)	-	(40.44)	0.00	40.77	(8.49)
-- Other Comprehensive Income	-	(5.11)	-	-	0.90	(4.21)
As at 31st March, 2020	49.59	10.74	26.37	0.00	54.15	140.85
-- Profit and Loss	7.50	-	(2.50)	(0.00)	27.09	32.09
-- Other Comprehensive Income	-	(3.55)	-	-	(2.76)	(6.31)
As at 31st March, 2021	57.09	7.19	23.87	-	78.48	166.63

*Other Items- other Jurisdiction Nil (Previous Year ₹ 3000/-).

23.2 Movement in Deferred Tax Liabilities:

(₹ in Millions)

Particulars	Additional depreciation/ amortization on PPE and Intangible Assets	Additional depreciation/ amortization on PPE and Intangible Assets- Other Jurisdiction	Other items	Total deferred tax liabilities
As at 1st April, 2019	587.73	-	7.59	595.32
-- Profit and Loss	(138.63)	0.32	(6.54)	(144.85)
-- Other Comprehensive Income	-	-	-	-
As at 31st March, 2020	449.10	0.32	1.05	450.47
-- Profit and Loss	12.84	0.28	(0.71)	12.41
-- Other Comprehensive Income	-	-	-	-
As at 31st March, 2021	461.94	0.60	0.34	462.88

24. Other Non Current Liabilities:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Lease Liability	238.19	146.24

25. Borrowings:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(i) Secured:		
Loan repayable on demand		
--- Working Capital Loans from Banks	670.85	1,004.64
--- Factoring Arrangements	1,573.71	1,372.55
(ii) Unsecured:		
Loans from Related Parties		
--- Loan from Related Party *	287.50	188.00
Deposits		
---Deposits from Related Parties*	-	24.35
---Inter Corporate Deposits from others	4.00	4.00
---Public Deposits from others	-	30.40
Total	2,536.06	2,623.94

*For Related Parties disclosures refer note no. 48.

25.1 Working Capital facilities from banks are secured by 1st Pari passu charge by way of hypothecation on the entire current assets including raw material, stock in process, finished goods, consumable, stores & spares and receivables of the company, 1st Pari passu charge on present and future fixed assets at SP 920 and 922, RIICO Industrial Area, Phase III, Bhiwadi, Distt. Alwar (Rajasthan); Plot No. A 280-284, Chopanki; and movable Property, Plant and Equipment at D-90, Okhla Industrial Area, Phase-I, New Delhi; 2nd Pari- passu charge by equitable mortgage of property of the Land and Building at 99/2/7, Madhuban Industrial Estate, Village Rakholi, Silvassa, (D & N H); SP 2/874, RIICO Industrial Area, Pathredi; SP 919, RIICO Industrial Area, Phase III, Bhiwadi, Distt. Alwar, (Rajasthan); and Industrial Plot/ Survey No.- 1/1/2/5, Situated at Village Chinchpada, Silvassa both present and future. Further these loans are secured by personal guarantee of Shri. Anil Gupta, Chairman-cum- Managing Director of the company.

25.2 Working Capital Loans from Banks are generally renewable within twelve months from the date of sanction or immediately previous renewal, unless otherwise stated, as per the terms and conditions of the sanction.

25.3 For Term and Conditions of Loans and Deposits from Related parties refer note No.48.

25.4 The Company has not defaulted on any loans/deposits payable during the year and has satisfied all debt covenants prescribed by lenders.

25.5 The Company has arranged Channel Finance facility for its customers from various banks against which a sum of ₹ 1,926.43 millions (Previous Year ₹ 1,584.65 Millions) has been utilized as on the date of Balance Sheet. The Company is liable to pay in case of default by its customers along with interest thereon. The amount of such defaults as on 31st March, 2021 is ₹ 15.90 Millions (Previous Year ₹ 3.92 Millions).

26. Trade Payables:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Outstanding dues of micro enterprises and small enterprises (Refer Note 26.1 below)	1,021.22	834.80
Outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	3,234.79	7,696.85
Others*	3,158.31	3,158.03
Total	6,393.10	10,854.88
Total	7,414.32	11,689.68

* The amount are Unsecured and non-interest bearing.

26.1 Information as required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the company.

Amount remaining unpaid to supplier covered under MSMED Act at the end of the year.

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Principal	1,021.22	834.80
Interest	-	-
Total	1,021.22	834.80
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.	-	-
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.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
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.	-	-
The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period.	3.53	-

27. Other Financial Liabilities:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Current Maturities of Long Term Borrowings		
---From Banks	50.00	274.23
---Foreign Currency Loans from Banks	-	106.55
-- External Commercial Borrowings	145.80	119.84
Total Current Maturities of Long Term Borrowing (Refer Note 21.1)	195.80	500.62
Current Maturities of Finance Lease Obligations on Hire Purchase of Vehicles	9.02	14.95
Interest on Borrowings		
---Accrued but not due	0.15	0.28
---Accrued and due	1.00	3.63
Security Deposits Received	18.05	14.70
Employee Benefits Payable	216.40	185.62
Unpaid Dividend (Refer Note 27.1)	1.93	1.87
Total	442.35	721.67

27.1 Amount due & outstanding to be credited to Investor Education and Protection Fund ₹ Nil (Previous Year ₹ Nil).

28. Other Current Liabilities:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Contract Liabilities (Refer Note 45.2)	658.76	1,178.35
Lease Liability	33.34	24.20
Sundry Creditors -Capital Goods	30.27	95.98
Statutory Dues Payable	174.86	91.04
Total	897.23	1,389.57

29. Provisions:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Employee Benefits		
---Provision for Compensated Absences	11.81	16.37
---Provision for Gratuity	13.98	38.89
Provision for warranty	24.74	26.18
Total	50.53	81.44

29.1. Movement of Provisions (Current and Non Current):

(₹ in Millions)

Particulars	Compensated Absences	Gratuity	Warranty Provision
As at 1st April, 2020	127.07	38.89	26.18
Credited during the year	(0.70)	13.99	20.67
Paid during the year	23.33	38.90	-
Unused amount reversal	-	-	22.11
As at 31st March, 2021	103.04	13.98	24.74

Provision for Compensated Absences (Unfunded):

Compensated Absences is a terminal employee benefit, which covers Company's liability towards earned leaves of employees of the Company.

Provision for Gratuity (Funded):

Company provides gratuity for employees in India as per the Payment of Gratuity Act 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. Gratuity plan is a funded plan and company makes contributions to fund maintained by approved trust and administrated through separate irrevocable trust setup by Company.

Provision for Warranty:

Provision for warranty relates to estimated outflow in respect of warranty for products sold/ contracts executed by Company. Due to nature of such costs It is not possible to estimate timing/ uncertainties relating to the outflows of economic benefits.

29.2 Disclosures under Ind AS 19 "Employee Benefits":

Defined Contribution Plan:

Amount recognized as an expense in defined contribution plans:

(₹ in Millions)

Particulars	Expense recognised during	
	FY 2020-21	FY 2019-20
Contribution to employee Provident Fund & Employees Pension Scheme.	47.51	55.66

DEFINED BENEFIT PLAN- AS PER ACTUARIAL VALUATION

The Company operates a defined benefit plan, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for gratuity.

The amounts recognized in the Balance Sheet is as under:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Present value of obligations as at the end of year	220.32	253.19
Fair value of plan assets as at the end of the year	206.34	214.30
Funded status	(13.98)	(38.89)
Net Assets/(Liability) recognized in balance sheet	(13.98)	(38.89)

Expense recognized in Statement of Profit and Loss is as under: (₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Current Service Cost	23.81	28.61
Interest Cost on Defined Benefit Obligation	15.00	16.49
Interest Income on Plan Assets	12.39	8.94
Net Interest Cost	2.61	7.55
Expenses recognized in Statement of Profit and Loss	26.42	36.16

Expenses recognized in Other Comprehensive Income is as under: (₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Actuarial (Gains)/Loss on Defined Benefit Obligation	(13.49)	(3.64)
Actuarial (Gains)/Loss on Asset	1.06	(0.90)
Actuarial (Gain)/Loss recognized in Other Comprehensive Income	(12.43)	(4.54)

Movements in the present value of the Defined Benefit Obligations: (₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Present Value of Obligations as at beginning of year	253.18	217.01
Acquisition Adjustment	-	-
Interest Cost	15.00	16.49
Current Service Cost	23.81	28.61
Actuarial (Gains)/Losses arising from:		
Changes in Demographic Assumptions	-	(0.04)
Changes in Financial Assumptions	8.33	(2.42)
Experience Adjustments	(21.81)	(1.18)
Past Service Cost	-	-
Benefits Paid	(58.19)	(5.29)
Present value of obligations as at end of year	220.32	253.18

Movements in fair value of Plan Assets: (₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fair Value of plan assets as on beginning of year	214.29	117.65
Interest Income	12.40	8.94
Re-measurement Gain/(Loss) – return on plan assets excluding amounts included in net interest expense)	(1.06)	0.90
Contributions from the employer	38.90	92.09
Benefits paid	(58.19)	(5.29)
Fair value of Plan Assets at the end of year	206.34	214.29

Actuarial Assumptions are as under:

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Discount Rate	6.35%	6.70%
Expected rate of Future Salary Increase	6.00%	6.00%
Retirement Age	58 yrs	58 yrs
Mortality rates	As per Indian Assured Lives Mortality (2012-14) Table	As per Indian Assured Lives Mortality (2012-14) Table
Age	Withdrawal Rate	
Up to 30 Years	3.00%	3.00%
From 31 to 44 Years	2.00%	2.00%
Above 44 Years	1.00%	1.00%

Risks Associated with Plan Provisions

Valuations are based on certain assumptions which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

Salary Increases	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If the plan liability is funded and return on plan assets is below this rate it will create a plan deficit.
Discount Rate Risk	A decrease in the bond interest rate (discount rate) will increase the plan liability.
Mortality & Disability	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2006-08) ultimate table. A change in mortality rate will have a bearing on the plan's liability.

Maturity Profile of Defined Benefit Obligation is as under:

Duration of defined benefit obligation

(₹ in Millions)

Duration (years)	As at 31 st March, 2021	As at 31 st March, 2020
1	13.03	58.67
2	10.82	13.17
3	8.03	10.13
4	9.09	7.31
5	9.26	9.08
Above 5	170.09	154.83

Summary of Membership Data:

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Number of Employees	1,744	2,006
Total Monthly Salary for Gratuity (₹ in Millions)	49.48	58.17
Average Past Service (Years)	7.05 yrs	5.95 yrs
Average Age (Years)	37.85 yrs	36.13 yrs
Average Remaining Working Life (Years)	20.15 yrs	21.87 yrs

Sensitivity analysis is as under:

Impact of the Change in Discount Rate:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Impact due to Increase of 1%	197.74	232.28
Impact due to Decrease of 1%	246.99	277.95

Impact of the Change in Salary Increase:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Impact due to Increase of 1%	246.69	277.88
Impact due to Decrease of 1%	197.59	231.96

30. Current Tax Liabilities (Net):

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Provision for Current Tax (Net of advance Tax)	80.60	19.13
Total	80.60	19.13

31. Revenue From Operations:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Revenue from Contract with Customers				
Sale of Products				
---Manufactured Goods	32,258.04		35,020.41	
---Traded Goods	152.83		189.26	
Sale of Services				
---Income from EPC Projects	8,834.41		13,360.40	
Other Revenue				
--- Project Material	78.38		-	
---Scrap Material	464.71	41,788.37	242.26	48,812.33
Other operating Revenues				
--- Export Benefits	25.65		23.99	
--- Unadjusted Credit balances written back	0.86	26.51	6.34	30.33
Total		41,814.88		48,842.66

31.1 For Disclosures related to IND AS 115 " Revenue from Contract with Customers" refer note no. 45.

32. Other Income:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Dividend from long term investments		0.08		0.02
Interest Income from Bank Deposits/Others		41.58		132.66
Interest Income from financial assets carried at amortized cost		1.59		2.18
Miscellaneous Income		20.42		11.56
Insurance Claims		23.54		18.27
Exchange Fluctuation (Net)		113.39		-
Total		200.60		164.69

33. Cost of Materials Consumed:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Raw Materials Consumed				
Opening Stock	1,282.23		1,089.15	
Add : Purchases	26,702.30		32,009.99	
Less : Closing Stock	1,908.94		1,282.23	
Less : Captive Consumption	8.64	26,066.95	18.93	31,797.98
EPC Project Materials				
Opening Stock	384.21		543.31	
Add : Purchases	1,675.82		3,074.52	
Less: Closing Stock	191.16	1,868.87	384.21	3,233.62
		27,935.82		35,031.60

34. Purchases of Traded Goods:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Miscellaneous		107.71		117.10
		107.71		117.10

35. Changes in Inventory of Finished Goods, Traded Goods and Work-in-progress:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Opening Stock				
--- Finished Goods	4,456.53		2,942.36	
--- Traded Goods	20.70		6.64	
--- Work in Progress	1,766.00		1,951.67	
--- Scrap Material	49.02	6,292.25	29.14	4,929.81
Less : Closing Stock				
--- Finished Goods	3,405.53		4,456.53	
--- Traded Goods	23.97		20.70	
--- Work in Progress	1,776.97		1,766.00	
--- Scrap Material	32.70	5,239.17	49.02	6,292.25
(Increase)/decrease in inventories of finished goods, traded goods and work-in-progress		1,053.08		(1,362.44)

36. Employee Benefits Expenses:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Salaries, Wages & Other Benefits	1,670.69		1,992.61	
Contribution to Provident & Other Funds	73.95		91.59	
Expense on employee stock option scheme	67.27		136.12	
Staff Welfare Expenses	37.52	1,849.43	55.58	2,275.90
Total		1,849.43		2,275.90

36.1 Compensation Paid To Key Managerial Personnel included in above:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Salaries, Wages & Other Benefits		115.23		194.89
Contribution to Provident & Other Funds		0.09		0.09
Director's Meeting Fee		5.93		7.28
Expense on employee stock option scheme		41.68		44.26
Total		162.93		246.52

37. Finance Costs:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Interest on borrowings		326.90		950.75
Other Financial Charges		213.31		324.95
Interest and Financial Charges on Lease Liabilities		18.64		15.81
Interest on Income Tax (Net)		14.23		-
Total		573.08		1,291.51

38. Depreciation and Amortisation Expenses:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Depreciation on Property, Plant and Equipment		515.71		505.64
Depreciation on Right of use Assets		51.02		49.46
Amortisation on Intangible Assets		11.41		11.79
Total		578.14		566.89

39. Sub Contractor Expenses for EPC Projects:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Sub Contractor Expenses		1,493.62		1,606.16
Total		1,493.62		1,606.16

40. Other Expenses:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Consumption of Store, Spares and Consumables		131.03		132.03
Packing Expenses		905.88		1,125.97
Job Work Charges		721.49		863.61
Power, Fuel & Lighting		514.31		631.95
Repairs & Maintenance				
--- Plant & Machinery	139.20		207.43	
--- Building	14.25		11.23	
--- Others	22.73	176.18	32.67	251.33
Freight, Handling and Octroi		962.95		1,147.71
Rebate, Discount, Commission on Sales		103.94		193.76
Bad Debts Written off		33.48		45.35
Impairment Allowance on Trade Receivables (including ECL)		40.02		22.88
Impairment in Investment in Subsidiary & Associate Companies		-		0.01
Impairment in Loans Receivables		0.55		6.98
Impairment in Amount Recoverable		0.01		-
Rates & Taxes		157.74		120.92
Rent		66.69		67.08
Insurance		117.65		96.81
Travelling & Conveyance		113.57		239.36
Advertisement & Publicity		129.77		259.75
Auditor's Remuneration (Refer Note 40.1)		5.38		5.28
Loss on sales of Property, Plant and Equipement (net)		1.01		0.97
Property, Plant and Equipement Written off		0.27		21.80
Communication Expenses		25.23		32.33
Donations		2.16		2.73
Professional & Consultancy Charges		113.20		243.95
Miscellaneous Expenses		380.38		517.54
Exchange Fluctuation (Net)		-		125.71
Corporate Social Responsibility Expenditure (Refer Note 40.2)		67.39		58.15
Total		4,770.28		6,213.96

40.1 Auditor's Remuneration (excluding applicable Tax):

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Audit Fee		3.60		3.60
Limited Review Fee		0.60		0.60
Tax Audit		0.60		0.60
For Other Services		0.58		0.48
Total		5.38		5.28
Certification fee for QIP (included in Share Issue Expenses)		-		1.25
Total		5.38		6.53

40.2 Corporate Social Responsibility Expenses during the year on:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
A Gross amount required to be spent by the Company during the year as per provisions of section 135 of the Companies Act, 2013 i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.		54.33		41.32
B Gross amount spent by the Company during the year				
i Construction/Acquisition of assets		-		-
ii PM Cares Fund - Covid 19 Relief		-		20.00
iii On purpose other than (i) above		31.15		38.15
Total		31.15		58.15
C Shortfall/(Excess)		23.18		(16.83)

41. Income Tax Expense:

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
(a) Income tax expense				
Accounting profit		3,654.32		3,266.67
Enacted tax rates in India		25.168%		25.168%
Computed expected tax expense		919.72		822.16
Tax effect due to non-taxable income for Indian tax purposes		(1.10)		(0.86)
Overseas taxes		1.10		0.85

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Tax reversals due to expenses allowed for Indian tax purpose		(313.87)		(279.12)
Tax Effect of non-deductible expenses		352.37		321.92
Tax Effect of Other allowed deductions for Indian tax purpose		-		(1.01)
Tax Effect of Earlier year		(17.32)		(11.94)
Total Current Income tax expense		940.90		852.00
Deferred tax				
(Decrease) / Increase in deferred tax liabilities		12.41		(144.85)
Decrease / (Increase) in deferred tax assets		(32.09)		8.49
Total deferred tax expenses/(credit)		(19.68)		(136.36)
Total Income tax expense		921.22		715.64

The applicable Indian corporate statutory tax rate for the year ended 31st March, 2021 and 31st March, 2020 is 25.168%.

Overseas Tax expense is due to income taxes payable overseas, principally in Nepal.

42. Other Comprehensive Income:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Items that will not be reclassified to profit and loss :				
Re-measurement gains (losses) on defined benefit plans		12.43		4.54
Net (loss)/gain on FVTOCI equity securities		3.12		(10.68)
Income tax effect on above		(6.31)		(4.21)
Total		9.24		(10.35)

43. Earnings Per Equity Share ('EPS') pursuant to Ind AS-33 has been calculated as follows:

(A) Earnings Per Equity Share:

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Profit after Taxation (₹ in Millions)	2,733.10	2,551.03
Basic Earnings Per Share (₹)	30.46	31.51
Diluted Earnings Per Share (₹)	30.17	31.05
Par Value Per Equity Share (₹)	2.00	2.00

(B) Weighted Average Number of Equity Shares Used as Denominator:

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Number of Equity shares at the beginning of the year	8,95,04,438	7,89,25,438
Add: Weighted average number of equity shares issued during the year	2,21,178	20,44,462
Weighted average number of Equity shares for Basic EPS	8,97,25,616	8,09,69,900
Add: Adjustment for Employee Stock Options outstanding	8,51,822	11,93,582
Weighted average number of equity shares for Diluted EPS	9,05,77,438	8,21,63,482

44. Contingent Liabilities & Commitments:

(₹ in Millions)

	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
44.1	Claims against Company not acknowledged as debt		
	a) Sales Tax / Entry Tax demands under appeal	10.60	10.42
	b) Income tax Matters:		
	-- Demand due to Additions / disallowances during Assessments, which are under Appeal	19.08	21.05
	c) Excise / Service tax demands under appeal/ Pending appeal	789.38	82.32
	d) Misc. claims against Company in Labour Court	1.07	1.07
44.2	Guarantees against Performance/Security Deposits/EMD	9,842.46	11,673.40
44.3	Other money for which Company is contingent liable		
	a) Unutilized Letter of Credits	506.82	989.87
	b) Outstanding LC Discounted	600.83	517.33
	In respect of the items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments/decisions pending at various forums /authority. The Company doesn't expect the outcome of matters stated above to have a material adverse effect on the Company's financial conditions, result of operations or cash flows.		
44.4	Commitments:		
	Estimated amount of contracts remaining to be executed on Capital Account	156.49	159.11

45. Disclosures as required under Ind-AS 115 "Revenue from contracts with customers" :

45.1 Disaggregation of Revenue:

Year Ended 31st March, 2021

(₹ in Millions)

Product type	Cables	Stainless Steel Wire	EPC Projects	Inter Segment Elimination	Total
--- Manufactured Goods	30,856.33	1,401.71	761.33	(761.33)	32,258.04
--- Traded Goods	152.83	-	-	-	152.83
--- Income From EPC Projects	-	-	8,834.41	-	8,834.41
--- Sale of Project Material	-	-	78.38	-	78.38
--- Job work	-	-	-	-	-
--- Scrap Material	458.71	6.00	-	-	464.71
Total	31,467.87	1,407.71	9,674.12	(761.33)	41,788.37

(₹ in Millions)

Timing of transfer of goods and services	Cables	Stainless Steel Wire	EPC Projects	Inter Segment Elimination	Total
--- Point in time	31,467.87	1,401.71	78.38	(761.33)	32,192.63
--- Over the time	-	-	9,595.74	-	9,595.74
Total	31,467.87	1,407.71	9,674.12	(761.33)	41,788.37

(₹ in Millions)

Geographical Market	Cables	Stainless Steel Wire	EPC Projects	Inter Segment Elimination	Total
--- India	26,585.32	854.69	8,871.10	(605.01)	35,706.10
--- Others	4,882.55	553.02	803.02	(156.32)	6,082.27
Total	31,467.87	1,407.71	9,674.12	(761.33)	41,788.37

Year Ended 31st March, 2020

(₹ in Millions)

Product type	Cables	Stainless Steel Wire	EPC Projects	Inter Segment Elimination	Total
--- Manufactured Goods	33,660.37	1,360.04	462.88	(462.88)	35,020.41
--- Traded Goods	90.30	-	98.96	-	189.26
--- Income From EPC Projects	-	-	13,360.40	-	13,360.40
--- Job work	-	-	-	-	-
--- Scrap Material	236.66	5.60	-	-	242.26
Total	33,987.33	1,365.64	13,922.24	(462.88)	48,812.33

(₹ in Millions)

Timing of transfer of goods and services	Cables	Stainless Steel Wire	EPC Projects	Inter Segment Elimination	Total
--- Point in time	33,987.33	1,365.64	98.96	(462.88)	34,989.05
--- Over the time	-	-	13,823.28	-	13,823.28
Total	33,987.33	1,365.64	13,922.24	(462.88)	48,812.33

(₹ in Millions)

Geographical Market	Cables	Stainless Steel Wire	EPC Projects	Inter Segment Elimination	Total
--- India	26,026.52	871.14	13,017.83	(93.75)	39,821.74
--- Others	7,960.81	494.50	904.41	(369.13)	8,990.59
Total	33,987.33	1,365.64	13,922.24	(462.88)	48,812.33

45.2 Contract Balances:

(₹ in Millions)

Particulars	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
	As at 31 st March, 2021	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2020
Current :				
---Advance received from Customers	-	225.32	-	866.09
---Incentive Payable to Customers	-	312.10	-	206.76
---Income received in advance	-	121.34	-	105.50
---Unbilled Revenue	214.26	-	866.53	-
Total	214.26	658.76	866.53	1,178.35

45.3 Trade Receivables from Contract with customers are separately shown in note no. 12.

45.4 Trade Receivables includes Retention by Customers ₹ 3,078.95 Millions (previous year ₹ 2,890.76 Millions).

45.5 Remaining performance obligations to be executed over a period of more than one year:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
--- Manufactured Goods*	-	-
--- EPC Projects*	12,247.49	18,479.31
Total	12,247.49	18,479.31

* Based on the estimates of the Management.

45.6 Reconciliation of revenue recognized with Contract Price

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Gross revenue recognized during the year	42,469.60	49,322.26
Add: Incentives paid/payable to Customers	(330.23)	(265.25)
Add: Discount paid/payable to Customers	(312.80)	(254.04)
Add: Other Variable Consideration	(38.20)	9.36
Net revenue recognized during the year	41,788.37	48,812.33

46. Employee Stock Options:

- a) The Company had approved "KEI Employees Stock Option Scheme" (KEI ESOS 2015 or Scheme) for granting Employees Stock Options in the form of Equity Shares to eligible employees and the same was approved by the members of the Company on September 16, 2015. The plan is administered under the supervision of the Nomination and Remuneration Committee of the Board of Directors of the Company ("Committee") in compliance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and other applicable provisions for the time being in force. The Nomination and Remuneration Committee had granted 22,52,000 share Options (par value ₹ 2/- each share) on September 23, 2015 and further 15,000 share Options (par value ₹ 2/- each share) were granted on September 25, 2018 which were fully exercised. In Financial Year 2019-20 the Committee further granted 13,95,000 share options (par value ₹ 2/- each share) which will vest over a period of three years from the date of grant. Details of Scheme is given as below:

Vesting Particulars of Options granted on 05.08.2019 (Grant III)	Options vested	Weighted average exercise price (₹)	Option Expiry Date	Outstanding share options from the date of grant
1 st vesting - at the end of 1 st year from the date of grant	4,55,000	225.00	20/08/2020	13,65,000
2 nd vesting - at the end of 2 nd year from the date of grant	4,55,000	225.00	20/08/2021	9,10,000
3 rd vesting - at the end of 3 rd year from the date of grant	4,55,000	225.00	20/08/2022	4,55,000

Vesting Particulars of Options granted on 27.09.2019 (Grant IV)	Options vested	Weighted average exercise price (₹)	Option Expiry Date	Outstanding share options from the date of grant
1 st vesting - at the end of 1 st year from the date of grant	10,000	225.00	12/10/2020	30,000
2 nd vesting - at the end of 2 nd year from the date of grant	10,000	225.00	12/10/2021	20,000
3 rd vesting - at the end of 3 rd year from the date of grant	10,000	225.00	12/10/2022	10,000

- b) The above said options can be exercised any time within a period of 30 days from the date of vesting and will be settled by way of equity shares in accordance with the aforesaid scheme.

Movement of options granted under the Scheme are:

Particulars	KEI ESOS 2015	
	IV	III
Date of Grant	27/09/2019	05/08/2019
Options outstanding as at 1st April 2019	N.A.	N.A.
Options Granted during the year	30,000	13,65,000
Option forfeited during the year	N.A.	N.A.
Option vested	N.A.	N.A.
Option exercised	N.A.	N.A.
Option expired during the year	N.A.	N.A.
Options Exercisable at the end of the year	30,000	13,65,000
Options outstanding at 31.03.2020	30,000	13,65,000
Options Granted during the year	NIL	NIL
Option forfeited during the year	NIL	NIL
Option vested	10,000	6,63,000
Option exercised	NIL	3,51,000
Option expired during the year	10,000	3,12,000
Options Exercisable at the end of the year	20,000	7,02,000
Options outstanding at 31.03.2021	20,000	7,02,000

Refer Note no. 36 for expense recognized during the year on account of ESOP as per Ind AS 102 - Share Based Payments.

- c) The fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Particulars	KEI ESOS 2015			
	IV	III	IV	III
	2020-21		2019-20	
Method of Setteltment	Equity Setteltment			
Risk-free interest rate	5.91%	6.00%	5.82%	5.96%
Weighted average expected life of options	1.53	1.39	2.53	2.39
Historical Volatility	45.84%	46.57%	48.20%	45.86%
Dividend Yield	0.22%	0.22%	0.22%	0.22%
Exercise price at the date of Grant (₹)	225.00	225.00	225.00	225.00
Share price at the time of option grant (₹)	525.90	420.10	525.90	420.10

47. Disclosures as required under Ind-AS 116 "Leases":

47.1 Maturity analysis of lease liabilities:

(₹ in Millions)

Maturity analysis - contractual undiscounted cash flows	Class 1 - Buildings & Warehouses		Class 2 - Asset Taken on Finance Lease - Hire Purchase Vehicles	
	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Less than one year	54.84	38.24	9.41	16.44
One to five years	238.78	124.56	0.56	9.97
More than five years	63.04	57.38	NIL	NIL

47.2 Amounts recognised in Statement of profit and loss:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Interest on lease liabilities in Finance Cost	18.64	15.81
Lease payments not recognised as a liability in Other Expenses		
- Variable lease payments not included in the measurement of lease liabilities	-	-
- Expenses relating to short-term leases	7.42	1.73
- Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	59.55	61.12

47.3 Amounts recognised in the statement of cash flows:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Total cash outflow for leases	112.20	106.23

47.4 Future Lease Commitments:

The Total Future cash out flow for leases that had not yet commenced: ₹ Nil (Previous year ₹ Nil)

47.5 Refer note no. 21.3 for terms and conditions in respect of hire-purchase of vehicles on finance lease.

48. The Related party disclosures as per Ind AS-24 "Related Party Disclosures" :

(a) Name of Related Parties :

i) Subsidiary Company

KEI Cables Australia PTY Limited

Place of Business/Country of Incorporation	Ownership Interest	
	As at 31.03.2021	As at 31.03.2020
Australia	90%	90%

ii) Jointly Controlled Entity

Joint Venture

Joint Venture of M/s KEI Industries Limited, New Delhi & Brugg Kabel AG Switzerland (Association of Persons)

Place of Business/Country of Incorporation	Ownership Interest	
	As at 31.03.2021	As at 31.03.2020
India	100% share in Profit/Loss	

iii) Associate

KEI Cables SA (PTY) Limited

Place of Business/Country of Incorporation	Ownership Interest	
	As at 31.03.2021	As at 31.03.2020
South Africa	49%	49%

iv)

Key Managerial Personnel (KMP):	Designation
Shri Anil Gupta	Chairman-cum-Managing Director
Shri Rajeev Gupta	Executive Director Finance & CFO
Shri Akshit Diviaj Gupta	Whole Time Director
Shri Kishore Kunal	GM Corporate & Company Secretary
Smt. Archana Gupta	Non-Executive Director
Shri Kishan Gopal Somani	Independent Director
Shri Pawan Bholusaria	Independent Director
Shri Sadhu Ram Bansal	Independent Director
Shri Vikram Bhartia	Independent Director
Shri Vijay Bhushan	Independent Director
Smt. Shalini Gupta	Independent Director

v) Other related parties where KMP are interested and transactions have taken place:

Anil Gupta (HUF)
Projection Financial & Management Consultants Private Limited
Shubh Laxmi Motels & Inns Private Limited
Soubhagya Agency Private Limited
Dhan Versha Agency Private Limited
KEI Cables Private Limited
KEI International Limited

vi) Relatives of KMP with whom transaction have taken place:

Smt. Vedika Gupta
Shri Sunil Gupta
Smt. Shashi Gupta
Smt. Shweta Jha
Smt. Vimla Devi

vii) Other related parties where relatives of KMP are interested and transactions have taken place:

Sunil Gupta (HUF)

viii) Post employee benefit plan for the benefitted employees:

KEI Industries Limited Employee Group Gratuity Fund

(b) Transactions with related parties:

(₹ in Millions)

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(i)	Sales		
	Subsidiary Company		
	KEI Cables Australia PTY Limited	2.59	-
		2.59	-
	Associate		
	KEI Cables SA (PTY) Limited	19.79	60.66
		19.79	60.66
(ii)	Settlement of liabilities on behalf of related party		
	Joint Venture		
	Joint Venture of M/s KEI Industries Limited, New Delhi & Brugg Kabel AG Switzerland (Association of Persons)	-	0.09
		-	0.09
(iii)	Settlement of liabilities by related party		
	Subsidiary Company		
	KEI Cables Australia PTY Limited	-	0.03
		-	0.03
(iv)	Interest paid on Deposits/ Unsecured Loan		
	Key Managerial Personnel		
	Shri Anil Gupta	18.48	16.72
	Shri Akshit Diviaj Gupta	0.19	0.23
		18.67	16.95
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	2.93	2.51
	KEI International Limited	-	0.05
	KEI Cables Private Limited	-	0.15
		2.93	2.71
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Shri Sunil Gupta	1.30	1.16
	Smt. Shweta Jha	0.26	0.33
		1.56	1.49
	Other related parties where relatives of KMP are interested		
	Sunil Gupta (HUF)	0.29	0.36
		0.29	0.36

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(v)	Impairment in loan		
	Subsidiary Company		
	KEI Cables Australia PTY Limited	0.55	1.71
		0.55	1.71
	Associate		
(vi)	KEI Cables SA (PTY) Limited	-	5.28
		-	5.28
	Impairment in Amount Recoverable		
	Subsidiary Company		
	KEI Cables Australia PTY Limited	0.01	
(vii)		0.01	-
	Impairment in Investment		
	Subsidiary Company		
	KEI Cables Australia PTY Limited	-	0.01
		-	0.01
(viii)	Associate		
	KEI Cables SA (PTY) Limited (₹ Nil Previous year ₹ 2349/-)	-	0.00
		-	0.00
	Impairment in Trade Receivable		
	Subsidiary Company		
(ix)	KEI Cables Australia PTY Limited	-	10.78
		-	10.78
	Associate		
	KEI Cables SA (PTY) Limited	-	18.31
		-	18.31
(x)	Interest Income on loan given		
	Subsidiary Company		
	KEI Cables Australia PTY Limited	-	0.18
		-	0.18
	Associate		
(x)	KEI Cables SA (PTY) Limited	0.08	0.20
		0.08	0.20
	Lease Rental Paid		
	Key Managerial Personnel		
	Smt. Archana Gupta	0.96	0.96
(x)	Shri Akshit Diviaj Gupta	0.02	-
		0.98	0.96

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	0.78	0.78
	Projection Financial & Management Consultants Private Limited	8.44	8.44
	Soubhagya Agency Private Limited	4.00	-
	Dhan Versha Agency Private Limited	3.60	3.60
		16.82	12.82
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Shri Sunil Gupta	18.00	18.00
		18.00	18.00
(xi)	Managerial Remuneration		
	Key Managerial Personnel		
	Shri Anil Gupta	93.76	173.15
	Shri Rajeev Gupta	11.00	11.40
	Shri Akshit Diviaj Gupta	6.75	6.75
		111.51	191.30
(xii)	Employee Benefits Expenses		
	Key Managerial Personnel		
	Shri Kishore Kunal	3.80	3.68
		3.80	3.68
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Smt Vedika Gupta	2.58	2.15
		2.58	2.15
(xiii)	Expense on Share Based Payments to Key Managerial Personnel		
	Shri Rajeev Gupta	32.48	34.49
	Shri Kishore Kunal	9.20	9.77
		41.68	44.26
(xiv)	Director Meeting Fees paid		
	Key Managerial Personnel		
	Smt. Archana Gupta	0.83	1.05
	Shri Kishan Gopal Somani	0.75	0.98
	Shri Pawan Bholusaria	1.50	1.87
	Shri Sadhu Ram Bansal	0.53	0.60
	Shri Vikram Bhartia	1.13	1.35
	Shri Vijay Bhushan	0.82	0.98
	Smt. Shalini Gupta	0.37	0.45
		5.93	7.28

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(xv)	Obligation for Gratuity Benefit		
	Key Managerial Personnel		
	Shri Anil Gupta	-	38.94
	Shri Rajeev Gupta	6.40	6.21
	Shri Akshit Diviaj Gupta	1.45	1.08
	Shri Kishore Kunal	1.11	0.97
		8.96	47.20
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Smt Vedika Gupta	0.08	0.04
		0.08	0.04
(xvi)	Obligation for Leave Encashment Benefit		
	Key Managerial Personnel		
	Shri Rajeev Gupta	1.53	1.58
	Shri Akshit Diviaj Gupta	0.81	0.99
	Shri Kishore Kunal	0.52	0.66
		2.86	3.23
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Smt Vedika Gupta	0.11	0.06
		0.11	0.06
(xvii)	Contribution to post employee benefit plan		
	Post employee benefit plan for the benefitted employees		
	KEI Industries Limited Employee Group Gratuity Fund	38.90	93.39
		38.90	93.39
(xviii)	Dividend Paid (Including Interim Dividend)		
	Key Managerial Personnel		
	Shri Anil Gupta	27.36	36.94
	Shri Rajeev Gupta	0.90	0.97
	Shri Kishore Kunal	0.21	0.23
	Smt. Archana Gupta	1.67	2.26
	Shri Kishan Gopal Somani ₹ 2000 (Previous year ₹2700)	0.00	0.00
	Shri Pawan Bholusaria	0.01	0.01
	Shri Vikram Bhartia	0.02	0.03
		30.17	40.44

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	9.30	12.56
	Projection Financial & Management Consultants Private Limited	15.80	21.33
	Shubh Laxmi Motels & Inns Private Limited	6.96	9.40
	Soubhagya Agency Private Limited	6.25	8.44
	Dhan Versha Agency Private Limited	2.00	2.70
	KEI Cables Private Limited	3.15	4.25
		43.46	58.68
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Shri Sunil Gupta (₹2600/- ,Previous Year ₹3510/-)	0.00	0.00
	Smt. Shashi Gupta (₹ NIL, Previous year ₹4050/-)	-	0.00
		-	-
	Other related parties where relatives of KMP are interested		
	Sunil Gupta (HUF) (₹1000/-, previous year ₹1350/-)	0.00	0.00
		0.00	0.00
(xix)	Equity Share Allotment (KEI ESOS 2015)		
	Key Managerial Personnel		
	Shri Rajeev Gupta	0.24	0.30
	Shri Kishore Kunal	0.07	0.08
		0.31	0.38
(xx)	Security Premium on share allotment (KEI ESOS 2015)		
	Key Managerial Personnel		
	Shri Rajeev Gupta	26.76	4.95
	Shri Kishore Kunal	7.58	1.39
		34.34	6.34
(xxi)	Advance Given		
	Joint Venture		
	Joint Venture of M/s KEI Industries Limited, New Delhi & Brugg Kabel AG Switzerland (Association of Persons)	-	0.11
		-	0.11
(xxii)	Loan Given		
	Subsidiary Company		
	KEI Cables Australia PTY Limited	0.52	1.82
		0.52	1.82

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(xxiii)	Associate		
	KEI Cables SA (PTY) Limited	-	10.97
		-	10.97
	Deposits/Unsecured Loan received during the period		
	Key Managerial Personnel		
	Shri Anil Gupta	97.00	60.00
		97.00	60.00
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	15.50	10.00
		15.50	10.00
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Shri Sunil Gupta	23.50	13.00
	Smt. Shweta Jha	3.50	2.60
		27.00	15.60
(xxiv)	Other related parties where relatives of KMP are interested		
	Sunil Gupta (HUF)	4.00	-
		4.00	-
	Deposits/Unsecured Loan received earlier repaid during the year		
	Key Managerial Personnel		
	Shri Anil Gupta	-	80.00
		-	80.00
	Other related parties where KMP are interested		
	KEI Cables Private Limited	-	3.80
	KEI International Limited	-	1.20
		-	5.00
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Shri Sunil Gupta	13.00	-
	Smt. Shweta Jha	8.50	-
		21.50	-
	Other related parties where relatives of KMP are interested		
	Sunil Gupta (HUF)	4.00	-
		4.00	-

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(xxv)	Loan/Advance given to related party received back Subsidiary Company KEI Cables Australia PTY Limited	-	9.44
		-	9.44
	Joint Venture Joint Venture of M/s KEI Industries Limited, New Delhi & Brugg Kabel AG Switzerland (Association of Persons)	0.54	-
		0.54	-
(xxvi)	Security Deposit Given Other related parties where KMP are interested Soubhagya Agency Private Limited	2.40	-
		2.40	-
	Key Managerial Personnel Shri Akshit Diviaj Gupta	0.05	-
		0.05	-
(xxvii)	Outstanding of Security Deposit Given (fair Value) Key Managerial Personnel Shri Akshit Diviaj Gupta	0.05	-
		0.05	-
	Other related parties where KMP are interested Anil Gupta (HUF)	0.15	0.15
	Projection Financial & Management Consultants Private Limited	4.72	4.46
	Soubhagya Agency Private Limited	1.22	-
		6.09	4.61
(xxviii)	Maximum Outstanding Balance of security during the period (At fair value) Key Managerial Personnel Shri Akshit Diviaj Gupta	0.05	-
		0.05	-
	Other related parties where KMP are interested Anil Gupta (HUF)	0.15	0.15
	Projection Financial & Management Consultants Private Limited	4.72	4.46
	Soubhagya Agency Private Limited	1.22	-
		6.09	4.61
(xxix)	Maximum Outstanding Balance of security during the period (At Cost) Key Managerial Personnel Shri Akshit Diviaj Gupta	0.05	-
		0.05	-

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	0.15	0.15
	Projection Financial & Management Consultants Private Limited	4.77	4.77
	Soubhagya Agency Private Limited	2.40	-
		7.32	4.92
(xxx)	Investment by Loanee in Equity shares of Company		
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	13.62	13.62
	Projection Financial & Management Consultants Private Limited	114.20	114.20
		127.82	127.82
(xxxi)	Salary Payable		
	Key Managerial Personnel		
	Shri Anil Gupta	52.14	46.57
	Shri Rajeev Gupta	0.46	0.56
	Shri Akshit Diviaj Gupta	0.74	0.39
	Shri Kishore Kunal	0.14	0.04
		53.48	47.56
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Smt Vedika Gupta	0.27	0.11
		0.27	0.11
(xxxii)	Advance Outstanding		
	Joint Venture		
	Joint Venture of M/s KEI Industries Limited, New Delhi & Brugg Kabel AG Switzerland (Association of Persons)	-	0.54
		-	0.54
(xxxiii)	Loan Outstanding		
	Subsidiary Company		
	KEI Cables Australia PTY Limited	2.26	1.71
	Less: Impairment	2.26	1.71
		-	-
	Associate		
	KEI Cables SA (PTY) Limited	10.50	9.74
	Less: Impairment	5.28	5.28
		5.22	4.46
	Key Managerial Personnel		
	Shri Kishore Kunal	-	0.14
		-	0.14

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(xxxiv)	Maximum amount of loan outstanding during the quarter		
	Subsidiary Company		
	KEI Cables Australia PTY Limited	2.26	9.28
		2.26	9.28
	Associate		
	KEI Cables SA (PTY) Limited	10.50	9.74
		10.50	9.74
(xxxv)	Investment in Equity Shares		
	Subsidiary Company		
	KEI Cables Australia PTY Limited	0.01	0.01
	Less: Impairment	0.01	0.01
		-	-
	Associate		
	KEI Cables SA (PTY) Limited (₹2349)	0.00	0.00
	Less: Impairment (₹2349)	0.00	0.00
		-	-
(xxxvi)	Trade Receivables Outstanding		
	Subsidiary Company		
	KEI Cables Australia PTY Limited	-	10.78
	Less: Impairment	-	10.78
		-	-
	Associate		
	KEI Cables SA (PTY) Limited	41.73	64.92
	Less : Impairment	18.31	18.31
		23.42	46.61
(xxxvii)	Bad Debt Written off		
	Subsidiary Company		
	KEI Cables Australia PTY Limited	11.77	-
		11.77	-
(xxxviii)	Interest Income Receivable		
	Subsidiary Company		
	KEI Cables Australia PTY Limited	0.01	0.01
	Less: Impairment	0.01	-
		-	0.01
	Associate		
	KEI Cables SA (PTY) Limited	0.29	0.18
		0.29	0.18

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(xxxix)	Credit balance of Deposits/ Unsecured loan outstanding as at the period end		
	Key Managerial Personnel		
	Shri Anil Gupta	285.00	188.00
	Shri Akshit Diviaj Gupta	2.50	2.50
		287.50	190.50
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	51.00	35.50
		51.00	35.50
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Shri Sunil Gupta	23.50	13.00
	Smt. Shweta Jha	-	5.00
		23.50	18.00
	Other related parties where relatives of KMP are interested		
	Sunil Gupta (HUF)	4.00	4.00
		4.00	4.00

Other information

- (i) Shri Anil Gupta, Chairman-cum-Managing Director has given personal guarantee to lender banks for company's borrowings.
- (ii) The company has given Performance Bank Gurantees of ₹ 61.61 Millions (Previous year ₹ 61.61 Millions) on behalf of Joint Venture of M/s KEI Industries Limited, New Delhi & Brugg Kabel AG Switzerland.
- (iii) The company has outstanding Performance Bank Gurantees of ₹ 26.65 Millions (Previous year ₹ 27.02 Millions) on behalf of KEI Cables Australia PTY Limited.
- (iv) Disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed.
- (v) All outstanding balances pertaining to loans and security deposits with related parties are at fair value.
- (vi) Inter corporate loans/advances have been given for business purposes only.
- (vii) In case of Loan to subsidiary, since the entire amount is impaired no interest on loan has been charged.
- (viii) As the amount for gratuity and Leave encashment are provided on actuarial basis for the company as a whole, the amount pertaining to the KMP and relatives of KMP are not included in their remuneration.
- (ix) Transactions with Related parties are made on terms equivalent to those that prevail in arms' length transactions.
- (ix) Deposits and loans received from Related Parties are for business purpose and the rate of interest thereon is at arms length price.

49. Disclosure as per Indian Accounting Standard (Ind AS) 108 "Operating Segments"

(i) Basis of identifying operating segments, reportable segments, segment profit and definition of each reportable segment:

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components; (b) whose operating results are regularly reviewed by the Company's Management to make decisions about resource allocation and performance assessment and (c) for which separate financial information is available.

The Company has three reportable segments as described under "Segment Composition" below. The nature of products and services offered by these businesses are different and are managed separately given the different sets of technology and competency requirements.

(ii) Reportable segments:

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

(iii) Segment composition:

Cable Segment comprises manufacturing, sale and marketing of all range of power cables such as - Low Tension (LT), High Tension (HT) and Extra High Voltage (EHV), control and instrumentation cables, specialty cables, elastomeric / rubber cables, submersible cables, flexible and house wires, winding wires etc.

Engineering, Procurement and Construction (EPC) projects Segment comprises of survey, supply of materials, design, erection, testing & commissioning on a turnkey basis.

Stainless Steel Wire Segment comprises manufacturing sale and Job work related to Stainless Steel Wires.

(iv) Segment Revenue, Expenditure & Profit:

Performance of a segment is measured based on segment profit (before interest and tax), as included in the internal management reports that are reviewed by the Company's Management.

Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment.

Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocated".

Finance income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting.

Unallocated expenses/ results, assets and liabilities include expenses/ results, assets and liabilities (including inter-segment assets and liabilities) and other activities not allocated to the operating segments. These also include current taxes, deferred taxes and certain financial assets and liabilities not allocated to the operating segments.

Current Taxes, Deferred Taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on company level.

(v) Segment Asset Liabilities and Capital Expenditure:

The total assets disclosed for each segment represent assets directly managed by each segment, and primarily include receivables, property, plant and equipment, intangibles, inventories, operating cash and bank balances, intersegment assets and exclude derivative financial assets, deferred tax assets and income tax recoverable.

Segment liabilities comprise operating liabilities and exclude external borrowings, provision for taxes, deferred tax liabilities and derivative financial liabilities.

Segment capital expenditure comprises additions to property, plant and equipment and intangible assets (net of rebates, where applicable).

(₹ in Millions)

Particulars	Cables		Stainless steel Wire		EPC Projects		Unallocated		Inter Segment Elimination		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Revenue (Gross)												
External	30,723.53	33,539.43	1,416.53	1,375.27	9,766.99	13,966.61	-	-0.00	(92.17)	(38.65)	41,814.88	48,842.66
Inter-Segment Revenue	5,018.58	6,284.70	-	-	-	-	-	-	(5,018.58)	(6,284.70)	-	-
Total Revenue	35,742.11	39,824.13	1,416.53	1,375.27	9,766.99	13,966.61	-	-0.00	(5,110.75)	(6,323.35)	41,814.88	48,842.66
Result	-	-	-	-	-	-	-	-	-	-	-	-
Segment Result	4,164.34	4,403.21	65.03	87.58	907.39	1,636.93	-	-	(541.82)	(270.76)	4,594.94	5,856.96
Unallocated Expenditure net of unallocated income							(409.20)	(1,431.46)			(409.20)	(1,431.46)
Finance Cost							(573.08)	(1,291.51)			(573.08)	(1,291.51)
Interest Income							41.58	132.66			41.58	132.66
Dividend Income							0.08	0.02			0.08	0.02
Profit Before Tax	4,164.34	4,403.21	65.03	87.58	907.39	1,636.93	(940.62)	(2,590.29)	(541.82)	(270.76)	3,654.32	3,266.67
Tax including Deferred Tax											921.22	715.64
Profit for the year											2,733.10	2,551.03
Other Information												
Segment Assets	19,828.31	19,857.13	682.22	670.48	7,026.56	9,639.93	2,599.67	2,519.02			30,136.76	32,686.56
Segment Liabilities	8,744.05	12,660.03	176.66	309.71	1,106.35	1,568.19	2,333.24	3,081.04			12,360.30	17,618.97
Capital Expenditure	238.82	752.06	15.91	27.35	29.46	16.33	67.85	131.29			352.04	927.03
Depreciation and Amortization	489.63	482.51	17.38	18.09	14.57	14.14	56.56	52.15			578.14	566.89

Information about Geographical Segment:

SECONDARY SEGMENT INFORMATION	India		Outside India		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
External Revenue (Gross)	35,732.61	39,852.07	6,082.27	8,990.59	41,814.88	48,842.66
Addition to Non Current Assets	235.88	848.91	15.94	1.19	251.82	850.10

Information about major customers :

There are no customers having revenue exceeding 10% of total revenues.

50. FAIR VALUE MEASUREMENTS

Carrying amounts of Financial Assets and Financial Liabilities in each category are as follows:

(₹ in Millions)

Particulars	Note Reference	As at 31 st March, 2021				As at 31 st March, 2020			
		FVPL	FVOCI	AMORTISED COST	FAIR VALUE	FVPL	FVOCI	AMORTIZED COST	FAIR VALUE
Financial Assets									
Investments	7								
- Equity Instruments		-	4.68	-	4.68	-	2.80	-	2.80
- Mutual funds		-	4.40	-	4.40	-	3.17	-	3.17
Loans	8 & 15	-	-	219.90	217.41	-	-	153.60	153.87
Trade receivables	12	-	-	13,495.71	13,495.71	-	-	13,675.86	13,675.86
Cash and Cash equivalents	13	-	-	2,201.32	2,201.32	-	-	1,194.10	1,194.10
Bank Balances other than Cash and Cash equivalents	14	-	-	10.75	10.75	-	-	948.89	948.89
Other financial assets	9 & 16			218.75	218.75			875.82	875.82
Total financial assets		-	9.08	16,146.43	16,153.02	-	5.97	16,848.27	16,854.51
Financial Liabilities									
Borrowings	21 & 25	2,849.60	-	-	2,849.60	3,150.92	-	-	3,150.92
Trade payables	26	-	-	7,414.32	7,414.32	-	-	11,689.68	11,689.68
Other Current Financial Liabilities	27	-	-	442.35	442.35	-	-	721.67	721.67
Total financial liabilities		2,849.60	-	7,856.67	10,706.27	3,150.92	-	12,411.35	15,562.27

(i) Carrying amount of Trade Receivables, Trade Payables, other current financial assets, other current financial liabilities and Cash & Cash Equivalent are considered to be the same as their Fair Value due to their short term nature.

(ii) Carrying amount of Financial Assets and Liabilities carried at Amortized Cost is considered a reasonable approximation of Fair Value.

(iii) Above table excludes Investment in Subsidiary, Associate and Joint Venture, which are measured at cost in accordance with Ind AS 27, 'Separate Financial Statements'.

51. FAIR VALUE HIERARCHY

This section explains the judgments and estimates made in determining fair values of financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in financial statements. To provide an indication about reliability of inputs used in determining fair value, Company has classified its financial instruments into three levels prescribed under accounting standard. An explanation of each level follows underneath the table:

Fair value of financial instruments as referred to in note above has been classified into three categories depending on inputs used in valuation technique. Hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements).

The categories used are as follows:

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

Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data relied as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(₹ in Millions)

Financial assets and liabilities measured at fair value - recurring fair value measurements as 31 st March, 2021	Note Reference	Level 1		Level 2		Level 3	
		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
Financial assets							
Investments at FVOCI	7						
- Equity Instruments		4.68	2.80	-	-	-	-
- Mutual funds		-	-	4.40	3.17	-	-
Loans	8 & 15			-	-	219.90	153.60
Total financial assets		4.68	2.80	4.40	3.17	219.90	153.60
Financial liabilities							
Borrowings	21 & 25		-	-	-	2,849.60	3,150.92
Other Current Financial Liabilities	27		-	-	-	442.35	721.67
Total Financial liabilities			-	-	-	3,291.95	3,872.59

Company's policy is to recognize transfers into and transfer out of fair value hierarchy levels as at the end of the reporting period.

During the year ended 31st March, 2021 and 31st March, 2020 there were no transfers between level 1 and level 2 fair value measurements and no transfer into and out of level 3 fair value measurement.

52. FINANCIAL RISK MANAGEMENT

Company's businesses are subject to several risks and uncertainties including financial risks. Company's documented risk management polices, act as an effective tool in mitigating various financial risks to which business is exposed to in course of their daily operations. Risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty and concentration of credit risk and capital management.

Company's senior management oversees management of these risks. Senior professionals working to manage financial risks and appropriate financial risk governance framework for Company are accountable to Board of Directors and Audit Committee. This process provides assurance to Company's senior management that Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

52.1. Market Risk

Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Currency Risk
- Price Risk
- Commodity Price Risk
- Interest Rate Risk

Above risks may affect Company's income and expenses, or value of its financial instruments. Company's exposure to and management of these risks are explained below

52.1.1. Currency Risk - Potential Impact of Risk & Management Policy

Company undertakes transactions denominated in foreign currencies mainly related to its operating activities. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

Carrying amounts of Company's foreign currency denominated monetary assets and monetary liabilities at end of reporting period are as follows:

(a) Amount payable in foreign currency on account of the following:

Particulars	As at 31 st March, 2021			As at 31 st March, 2020		
	Currency	Amount in foreign currency	₹ in Millions	Currency	Amount in foreign currency	₹ in Millions
Import of Goods & Advance Received	USD	3,89,13,371	2,843.06	USD	5,99,07,817	4,478.70
	EURO	38,855	3.37	EURO	55,432	4.65
	CHF	3,51,564	27.52	CHF	2,73,963	21.73
	AUD	-	-	AUD	25,073	1.21
	GBP	1,78,107	17.66	GBP	1,30,061	12.01
	NPR	19,29,55,362	121.46	NPR	18,24,26,765	114.93
Royalty/Know How/License fee	EURO	3,12,500	27.08	EURO	6,54,696	54.96
Expenses Payable	USD	12,16,897	89.34	USD	10,43,717	79.11
	GBP	37,615	3.81	GBP	1,54,489	14.46
	AED	1,07,639	2.16	AED	56,750	1.18
	NPR	10,12,533	0.65	NPR	10,42,564	0.65
	EURO	-	-	EURO	4,749	0.40
Statutory Dues Payable	NPR	58,733	0.04	NPR	1,06,541	0.07
Balance With Bank	GMD	13,782	0.02	GMD	-	-
Term Loan/ECB	USD	40,00,000	293.68	USD	70,09,080	531.29

(b) Amount receivable in foreign currency on account of the following:

Particulars	As at 31 st March, 2021			As at 31 st March, 2020		
	Currency	Amount in foreign currency	₹ in Millions	Currency	Amount in foreign currency	₹ in Millions
Exports of Goods & Advance Paid	USD	2,19,28,334	1,594.70	USD	3,07,15,983	2,299.78
	EURO	12,76,203	108.59	EURO	5,73,089	47.01
	CHF	-	-	CHF	39,595	2.92
	AUD	1,15,27,300	635.73	AUD	67,25,416	310.04
	NPR	3,27,41,452	20.25	NPR	2,43,258	0.15
	GBP	64,795	6.49	GBP	2,75,825	25.47
Recoverables	AUD	47,140	2.26	AUD	37,142	1.71
	AED	1,41,931	2.83	AED	1,01,255	2.08
	GMD	1,46,239	0.21	GMD	1,60,162	0.24
	USD	1,85,564	13.47	USD	1,89,329	14.07
	SGD	-	-	SGD	6	0.00
	ZAR	23,59,692	0.75	ZAR	23,42,583	9.92
	EURO	2,380	0.20	EURO	15,558	1.30
	THB	219	0.00	THB	219	0.00
	RMB	1,594	0.02	RMB	1,594	0.02
	NPR	1,66,92,114	10.34	NPR	14,56,687	0.86
Balance with Banks	SGD	-	-	SGD	1,297	0.07
	USD	24,834	1.80	USD	50,070	3.75
	GMD	-	-	GMD	1,273	0.00
	NPR	3,30,97,827	20.44	NPR	74,73,270	4.66
	AED	1,04,528	2.06	AED	90,608	1.84
Fixed Deposit with Banks	NPR	19,14,249	1.18	NPR	6,00,00,000	37.40

52.1.2. Currency Risk - Sensitivity to Risk

Following table demonstrates sensitivity to a reasonably possible change in USD, EUR, AUD exchange rates, with all other variables held constant. Impact on company profit before tax is due to changes in fair value of monetary assets and liabilities. Foreign currency exposures recognized by Company that have not been hedged by a derivative instrument or otherwise are as under:

(₹ in Millions)

Particulars	Impact on profit before tax on increase		Impact on profit before tax on decrease	
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
USD – Increase/ Decrease by 5%	(80.81)	(138.58)	80.81	138.58
EUR – Increase/ Decrease by 5%	3.92	(0.59)	(3.92)	0.59
AUD – Increase/ Decrease by 5%	31.90	15.53	(31.90)	(15.53)

52.1.3. Price Risk - Potential Impact of Risk & Management Policy

- (a) Company is exposed to price risk due to its investment in Equity Shares & Mutual Funds. Price risk arises due to uncertainties about future market values of these investments.
- (b) Company reviews its investments at regular intervals in order to minimize price risk arising from investments in Equity Shares & Mutual Funds.
- (c) Majority of investments of Company are publicly traded and listed in BSE/NSE. Carrying amounts of the Company's investment in Equity Shares & Mutual Funds at the end of the reporting period are given in Note 7.

52.1.4. Price Risk - Sensitivity to Risk

Following table demonstrates sensitivity to a reasonably possible change in equity index where investments of Company are listed. Impact on company's profit before tax is due to changes in NSE Index.

(₹ in Millions)

Particulars	Impact on profit before tax		Impact on Other Components of Equity before tax	
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
NSE Index Increase by 5%	-	-	0.45	0.30
NSE Index Decrease by 5%	-	-	(0.45)	(0.30)

52.1.5. Commodity Price Risk - Potential Impact of Risk & Management Policy

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of industrial and domestic cable and therefore require a continuous supply of major items of raw material viz copper and Aluminum. Due to the volatility of the prices of the Copper and Aluminum, Company has entered into various purchase contracts for these materials. The Company's Board of Directors has adopted a risk management strategy regarding commodity price risk and its mitigation. The Company partly mitigated the risk of price volatility by entering into the contract for purchase of these raw material based on average price of for each month.

52.1.6. Interest Rate Risk - Potential Impact of Risk & Management Policy

- (a) Company invests in fixed deposits for a period between 3 months to 7 years. All fixed deposits are with banks, accordingly there is no significant interest rate risk pertaining to these deposits.
- (b) Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's exposure to risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates and fixed deposits. Company's fixed rate borrowings and deposits are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither carrying amount nor future cash flows will fluctuate because of a change in market interest rates. The Company also uses interest rate swap to mitigate the interest rate risk.
- (c) Risk is managed by Company by maintaining an appropriate mix between fixed and floating rate of borrowings.

Exposure of Company's borrowing to interest rate changes at end of reporting period are as follows:

(₹ in Millions)

Particulars	31 st March, 2021	31 st March, 2020
Variable rate borrowings	1,063.16	1,856.68
Fixed rate borrowings	1,991.26	1,809.81
Total borrowings	3,054.42	3,666.49

Refer Note No. 21, 25 & 27 for maturities of Company borrowings.

52.1.7. Interest Rate Risk – Sensitivity

Sensitivity analysis below has been determined based on exposure to interest rates for non-derivative instruments at end of reporting period. For floating rate liabilities, analysis is prepared assuming amount of liability outstanding at end of reporting period was outstanding for whole year.

(₹ in Millions)

Particulars	Impact on profit before tax on increase		Impact on profit before tax on decrease	
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
Interest Rate – Increase/ Decrease by 50 basis point (50 bps)	(1.35)	(4.47)	1.35	4.47

52.2. Credit Risk

- Credit risk refers to risk that counterparty will default on its contractual obligations resulting in financial loss to Company.
- Company is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, short-term investments and derivative financial instruments. Credit limits are set based on a counterparty value. Methodology used to set list of counterparty limits includes, counterparty Credit Ratings (CR) and sector exposure. Evolution of counterparties is monitored regularly, taking into consideration CR and sector exposure evolution. As a result of this review, changes on credit limits and risk allocation are carried out.
- In respect of its investments, Company aims to minimize its financial credit risk through application of risk management policies.
- For financial instruments, Company attempts to limit credit risk by only dealing with reputed banks and financial institutions.
- None of Company's cash equivalents, including fixed deposits with banks, are past due or impaired.
- Trade receivables are subject to credit limits, controls & approval processes. These terms and conditions are determined on a case to case basis with reference to customer's Credit quality and prevailing market conditions. credit quality of Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. Due to large geographical base & number of customers, Company is not exposed to material concentration of credit risk. Based on historical experience, risk of default in case of trade receivable is low. Provision is made for doubtful receivables on individual basis depending on the customer ageing, customer category, specific credit circumstances & the historical experience of Company. Solvency of customers and their ability to repay receivable is considered in assessing receivables for impairment. Where receivables are impaired, Company actively seeks to recover amounts in question and enforce compliance with credit terms.
- Company assesses and manages credit risk of Financial Assets based on following categories arrived on basis of assumptions, inputs and factors specific to class of Financial Assets.

A: Low Credit Risk on financial reporting date

B: Moderate Credit Risk

C: High Credit Risk

Company provides for Expected Credit Loss based on following:

Asset group	Basis of categorization	Provision for expenses credit loss
Low Credit Risk	Cash and Cash Equivalents, other Bank Balances and Fixed Deposits with Banks	12 month expected credit loss
Moderate Credit Risk	Trade Receivables and other Current Financial Assets	Life time expected credit loss
	Loans	12 month expected credit loss
High Credit Risk	Trade Receivables, Loans and other Current Financial Assets	Life time expected credit loss or fully provided for

(₹ in Millions)

Credit rating	Particulars	Note reference	As at 31 st March, 2021	As at 31 st March, 2020
A: Low credit risk	Cash and Cash Equivalents, other Bank Balances and other Non Current Financial Assets	9, 13 & 14	2,216.56	2,152.28
B: Moderate credit risk	Trade Receivables, Loans and other Current Financial Assets	8, 12, 15 & 16	13,927.61	14,694.28
C: High credit risk	Loans	15	2.26	1.71

A: Low Credit Risk

(₹ in Millions)

As at 31 st March, 2021				
Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Cash and Cash Equivalents	13	2,201.32	-	2,201.32
Bank Balances other than Cash and Cash equivalents	14	10.75	-	10.75
Other Non Current Financial Assets	9	4.49	-	4.49

(₹ in Millions)

As at 31 st March, 2020				
Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Cash and Cash Equivalents	13	1,194.10	-	1,194.10
Bank Balances other than Cash and Cash equivalents	14	948.89	-	948.89
Other Non Current Financial Assets	9	9.29	-	9.29

B: Moderate Credit Risk

(₹ in Millions)

As at 31 st March, 2021						
Particulars	Note reference	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount (Considered Good)	12 & 16	12,979.32	768.37	148.23	33.32	13,929.24
Impairment allowance		18.31	179.85	19.53	1.58	219.27
Carrying Amount of Trade Receivables and other financial assets (Net of Impairment)		12,961.01	588.52	128.70	31.74	13,709.97

(₹ in Millions)

As at 31 st March, 2020						
Particulars	Note reference	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount (Considered Good)	12 & 16	13,906.50	688.19	58.97	78.75	14,732.41
Impairment allowance		28.30	149.87	3.07	8.79	190.03
Carrying Amount of Trade Receivables and other financial assets (Net of Impairment)		13,878.20	538.32	55.90	69.96	14,542.38

Movement in impairment allowance - Trade Receivables

(₹ in Millions)

Reconciliation of Loss Allowance		Loss allowance
Impairment Loss allowance on 1 st April, 2019		167.15
Impairment Recognised		29.09
Expected credit loss (ECL) Reversal		6.21
Impairment Loss allowance on 31 st March, 2020		190.03
Expected credit loss (ECL) Recognized		40.02
Transfer to Bad Debts		10.78
Loss Allowance on 31 st March, 2021		219.27

C: High Credit Risk

(₹ in Millions)

As at 31 st March, 2021						
Particulars	Note reference	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount at high risk	15	10.50	2.26	-	-	12.76
Impairment allowance		5.28	2.26	-	-	7.54
Carrying Amount of Loans (Net of Impairment)		5.22	-	-	-	5.22

(₹ in Millions)

As at 31 st March, 2020						
Particulars	Note reference	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount at high risk	15	9.74	1.71	-	-	11.45
Impairment allowance		5.28	1.71	-	-	6.99
Carrying Amount of Loans (Net of Impairment)		4.46	-	-	-	4.46

- (a) Liquidity risk is the risk that Company will face in meeting its obligations associated with its financial liabilities. Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.
- (b) Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2021 and 31st March, 2020.
- (c) Cash flow from operating activities provides funds to service financial liabilities on a day-to-day basis.
- (d) Company regularly monitors rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated is used for working capital management.
- (e) Following table analyses Company's financial liabilities into relevant maturity grouping based on their contractual maturity for all non derivative financial liabilities:

(₹ in Millions)

As at 31 st March, 2021					
Non-derivative liabilities	Note reference	Carrying amount	Payable within 1 year	More than 1 years	Total
Trade payables (including acceptances)	26	7,414.32	7,414.32	-	7,414.32
Borrowings	21 & 25	2,849.60	2,536.06	313.54	2,849.60
Unpaid dividend	27	1.93	1.93	-	1.93
Other current financial liabilities	27	440.42	440.42	-	440.42

(₹ in Millions)

As at 31 st March, 2020					
Non-derivative liabilities	Note reference	Carrying amount	Payable within 1 year	More than 1 years	Total
Trade payables (including acceptances)	26	11,689.68	11,689.68	-	11,689.68
Borrowings	21 & 25	3,150.92	2,623.94	526.98	3,150.92
Unpaid dividend	27	1.87	1.87	-	1.87
Other current financial liabilities	27	719.80	719.80	-	719.80

52.3 CURRENT & LIQUID RATIO

Following table shows ratio analysis of Company for respective periods:

Period	Current Ratio	Liquid Ratio
31st March, 2021	2.14	1.47
31st March, 2020	1.63	1.10

Company has hypothecated all of its Plant & Machinery, Factory Building, Trade Receivables and Cash & Cash Equivalents in order to fulfill collateral requirements for financial facilities in place. The counterparties have an obligation to return the securities to Company.

Under terms of major borrowings facilities, Company is required to comply with certain financial covenants and Company has complied with those covenants throughout the reporting period.

53. CAPITAL MANAGEMENT:

53.1 RISK MANAGEMENT:

Capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of Company's capital. Management monitors capital structure and net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short term investments.

53.2 DIVIDENDS:

No changes were made in the objectives, policies or processes for managing capital during the year:

Particulars	31st March, 2021	31st March, 2020
Total number Equity shares outstanding	89,855,438	89,504,438
Interim dividend (including Dividend Distribution Tax) for the year (Refer Note No. 20) (₹ in Millions)	179.71	161.85

54. Investment in Subsidiary, Associate and Joint Venture:

a) These financial statements are separate financial statements prepared in accordance with Ind AS-27 "Separate Financial Statements".

b) Company's investment in direct subsidiary is as under:

Particulars	Country of incorporation	Portion of ownership interest as at		Method used to account for the investment
		31st March, 2021	31st March, 2020	
KEI Cables Australia PTY Limited	Australia	90%	90%	Cost

c) Company's investment in Associate and Joint Venture is as under:

Particulars	Status	Country of incorporation	Portion of ownership interest as at		Method used to account for the investment
			31st March, 2021	31st March, 2020	
KEI Industries Ltd New Delhi & Brugg Kabel AG Switzerland	Joint Venture	India	100% in Profit & Loss	100% in Profit & Loss	Cost
KEI Cables SA (PTY) Limited	Associate	South Africa	49%	49%	Cost

55. Disclosure required under Section 186(4) of the Companies Act, 2013

Particulars of Loan/Investment Made :

(₹ in Millions)

Sr. No	Name of Investee	2020-21			2019-20		
		Investment made	Loan Given	Outstanding Balance	Investment made	Loan Given	Outstanding Balance
1	KEI Cables Australia Pty Ltd.*	-	0.52	2.26	-	1.71	1.71
2	KEI Cables SA Pty Ltd.**	-	-	10.50	-	9.74	9.74

* Loan Amount Received during the year ₹ Nil (Previous Year ₹ 9.28 Millions)

** Loan given during the year ₹ Nil (Previous Year ₹ 9.74 Millions)

56. Other Significant matters:

56.1 During the year ended 31st March, 2020, Company had issued 10 Million equity shares of ₹ 2/- each at premium of ₹ 498/- each (Issue Price per share ₹ 500/- each) amounting to ₹ 5000 Millions to Qualified Institutional Buyers on QIP basis. The net proceeds of QIP (net of QIP expenses ₹ 146.43 Million) was used as per objects of the Issue for repayment of debts. An amount of ₹ 880.55 Millions was unutilized as on 31st March, 2020 which has been fully utilized during the year as per the objects of the Issue.

56.2 Due to COVID-19 pandemic and lockdown restrictions business activities of the company was impacted during first quarter of the current financial year, hence financial results for the financial year ended on March 31, 2021 are strictly not comparable to previous financial year. The Company has taken into account external and internal information for assessing possible impact of COVID-19 on various elements of its financial results, including recoverability of assets.

56.3 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

56.4 During the year, the Company detected that some of the Employees, in connivance with certain dealers, misappropriated Cables/Wires, having an estimated value of ₹ 12.12 Million. Company took immediate action by getting an FIR registered against the Offenders and the matter is being investigated by the Police. Company is hopeful of recovery of the amount and has taken suitable steps, so that such instances do not occur in the future.

57. Previous Year's figures have been regrouped / rearranged, wherever necessary.

As per our Report of even date attached

For PAWAN SHUBHAM & CO.

Chartered Accountants

Firm Registration No: 011573C

(PAWAN KUMAR AGARWAL)

Partner

M.No. 092345

(ANIL GUPTA)

Chairman-cum-Managing Director

DIN: 00006422

(KISHORE KUNAL)

GM (Corporate) & Company Secretary

M.No. FCS-9429

(RAJEEV GUPTA)

Executive Director (Finance) & CFO

DIN: 00128865

(ADARSH KUMAR JAIN)

Asst. Vice President (Finance)

M.No. FCA-502048

Place of Signing: New Delhi

Date: 29th May, 2021

Place of Signing: New Delhi

Date: 29th May, 2021

Independent Auditor's Report

To The Members of **KEI INDUSTRIES Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **KEI Industries Limited** (hereinafter referred to as "the Parent Company") and its subsidiary (the Parent Company and its subsidiary together referred to as "the Group") which includes Group's share of loss in its associate and joint venture, which comprise the Consolidated Balance Sheet as at 31st March 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year then ended, notes to the financial statements including summary of significant accounting policies and other explanatory information (hereinafter referred to as the consolidated financial statements).

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

Basis for Opinion

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

Key Audit Matters

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

S. No.	Key Audit Matter	Auditor's Response
1	<p>Revenue - Performance Obligations</p> <p>The Group is in the business of manufacturing of various types of Cables, SS Wires and sells to customers both through institutional and dealer network globally.</p> <p>Sales contracts contain various performance obligations and other terms and the determination of when significant performance obligations have been met varies albeit a specific point in time can often be established.</p> <p>As a consequence, the Group has analysed its various sales contracts and concluded on the principles for deciding in which period or periods the Group's sales transactions should be recognized as revenue.</p>	<p>Audit Procedure Applied</p> <p>Our audit included but was not limited to the following procedures:</p> <ul style="list-style-type: none"> ● Mapped and evaluated selected systems and processes for revenue recognition and tested a sample of key controls. ● Selecting a sample from each type of the contracts with the customers, and testing the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. ● Tested sample of sales transactions for compliance with the parent company's accounting principles. ● Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.
2	<p>Revenue - Variable Consideration</p> <p>Revenue is recognized in accordance with Ind AS 115, net of discounts, incentives, and rebates accrued by the parent company's customers based on sales.</p> <p>The parent company uses sales agreement terms & conditions and historical trends to estimate discounts. At the reporting date, the parent company estimates and accrues for discounts and rebates they consider as having been incurred but not yet paid.</p>	<p>Audit Procedure Applied</p> <p>Our audit included but was not limited to the following procedures:</p> <ul style="list-style-type: none"> ● Understanding the policies and procedures applied to revenue recognition including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Parent Company. ● Carrying out substantive analytical procedures, analysing the actual performance of revenue and cost of sales related to discounts, incentives and rebates etc. ● Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. ● Analysing and discussing with management significant contracts including contractual terms and conditions related to discounts, incentives and rebates used in the related estimates. ● Reviewing disclosures included in the notes to the accompanying financial statements.

S. No.	Key Audit Matter	Auditor's Response
3	<p>Revenue - Over the Period Revenue Recognition</p> <p>The Parent Company is engaged in execution of Engineering, Procurement and Construction projects (EPC) for survey, supply of materials, design, erection, testing & commissioning on a turnkey basis.</p> <p>Revenue is recognized in accordance with Ind AS 115 and Performance obligations in such cases are satisfied over time and accordingly revenue is recognised over the time in such cases. Method used to recognise revenue is also a Key Audit Matter along with measuring progress towards complete satisfaction of performance obligations.</p>	<p>Audit Procedure Applied</p> <p>Our audit included but was not limited to the following procedures:</p> <ul style="list-style-type: none"> ● We tested the relevant internal controls used to ensure the completeness, accuracy and timing of revenue recognised including controls over the degree of completion of EPC projects. ● We evaluated and analysed the significant judgements and estimates made by the management and also reviewed sample contracts with customers to assess whether the method of recognition of revenue is relevant and is consistent with the accounting policies of the company. ● Selecting a sample of contracts for each of the key scope in components and evaluated them along with supporting evidence to determine whether various elements of revenue recognition are assessed in accordance with the principles prescribed under Ind AS 115 ● Tested samples of un-invoiced revenue entries with reference to the reports from the information system that records the costs incurred. ● Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.

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

The Parent Company's Board of Directors are responsible for the other information. The other information comprises the letter from the management, Director's Report, Management Discussion and Analysis, Business Responsibility Report and Corporate Governance Report but does not include the consolidated financial statements and our auditor's report thereon.

The letter from the management, Director's Report, Management Discussion and Analysis, Business Responsibility Report and Corporate Governance Report are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above, when it becomes available, compare with the financial statements of the subsidiary, associate and joint venture to the extent it relates to these entities and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the letter from the management, Director's Report, Management Discussion and Analysis, Business Responsibility Report and Corporate Governance Report, if we conclude, that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associate and Joint Venture in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its Associate and Joint Venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its Associate and its joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group, its Associate and Joint Venture are responsible for assessing the ability of the Group, its Associate and Joint Venture 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 or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and its Associate and Joint Venture are responsible for overseeing the financial reporting process of the Group and its Associate and Joint Venture.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Group's ability and

its Associate and Joint Venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Associate and Joint Venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Parent Company 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely

rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- (a) We did not audit the financial statements / financial information of subsidiary, whose financial statements / financial information reflect total assets of ₹ 0.38 Millions as at 31st March, 2021, total revenues of ₹ 15.50 Millions, total net profit / (loss) after tax of ₹ 10.83 million and net cash outflows amounting to ₹ 0.24 Million for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of Subsidiary are solely on the basis of such unaudited financial statements / financial information. In our opinion and according to the information and explanation given to us by the Management, these financial statements / financial information are not material to the Group.
- (b) The consolidated financial statements also include the Group's share of net profit / (loss) of ₹ 1.00 million for the year ended 31st March, 2021, as considered in the consolidated financial statements, in respect of an associate and a joint venture, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of associate and Joint Venture, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with

respect to our reliance on the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the separate financial statements/ financial information of the subsidiary, associate and joint venture referred to in the Other Matters section above we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and returns.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2021 taken on record by the Board of Directors of the Parent Company, none of the directors of the Parent Company (there are no subsidiary, associate incorporated in India) 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 over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of Parent Company, for the reasons stated therein.
- 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its Associate and joint venture – Refer Note No. 44 to the consolidated financial statements.
 - ii. The Group, its Associate and joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31st March 2021.
 - iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent Company during the year ended 31st March, 2021.
2. In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Parent Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

For PAWAN SHUBHAM & CO.
Chartered Accountants
Firm Registration Number: 011573C

CA Pawan Kumar Agarwal
Place of Signature: New Delhi Partner
Date: 29th May, 2021 Membership Number: 092345
UDIN: 21092345AAAACX6451

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1(f) of the Independent Auditors' Report of even date to the members of KEI Industries Limited on the Consolidated 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 Act

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2021, we have audited the internal financial controls over financial reporting of **KEI Industries Limited** (hereinafter referred to as "Parent Company"), as of that date. Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act is not applicable to joint venture (Association of Persons), subsidiary company and Associate which are companies not incorporated in India.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the 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 the Parent Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For PAWAN SHUBHAM & CO.

Chartered Accountants

Firm Registration Number: 011573C

CA Pawan Kumar Agarwal

Partner

Place of Signature: New Delhi

Date: 29th May, 2021

Membership Number: 092345

UDIN: 21092345AAAACX6451

Consolidated Balance Sheet As At 31st March, 2021

(₹ in Millions)

Particulars	Note No.	As at 31 st March, 2021	As at 31 st March, 2020
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	4,743.46	4,959.92
(b) Capital Work -in- Progress	4	71.33	112.10
(c) Right of Use Assets	5	609.83	547.08
(d) Intangible Assets	6	17.87	29.21
(e) Financial Assets			
(i) Investments	7	11.65	7.54
(ii) Loans	8	196.22	124.18
(iii) Others Financial Assets	9	4.49	9.29
(f) Other Non-Current Assets	10	29.06	41.48
		5,683.91	5,830.80
Current Assets			
(a) Inventories	11	7,682.21	8,637.83
(b) Financial Assets			
(i) Trade Receivables	12	13,495.71	13,675.86
(ii) Cash and Cash Equivalents	13	2,201.62	1,194.64
(iii) Bank Balances Other Than (ii) Above	14	10.75	948.89
(iv) Loans	15	23.68	29.42
(v) Other Financial Assets	16	214.26	866.53
(c) Income Tax Assets	17	44.37	20.36
(d) Other Current Assets	18	783.21	1,484.42
		24,455.81	26,857.95
TOTAL ASSETS		30,139.72	32,688.75
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	19	179.71	179.01
(b) Other Equity	20	17,600.84	14,893.11
(c) Non Controlling Interest		(0.08)	(1.05)
		17,780.47	15,071.07
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	313.54	526.98
(b) Provisions	22	91.23	110.70
(c) Deferred Tax Liability (Net)	23	294.50	308.33
(d) Other Non Current Liabilities	24	238.19	146.24
		937.46	1,092.25
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	2,536.06	2,623.94
(ii) Trade Payables	26		
(A) total outstanding dues of micro enterprises and small enterprises		1,021.22	834.80
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		6,393.80	10,854.88
(iii) Other Financial Liabilities	27	442.35	721.67
(b) Other Current Liabilities	28	897.23	1,389.57
(c) Provisions	29	50.53	81.44
(d) Current Tax Liability (Net)	30	80.60	19.13
		11,421.79	16,525.43
TOTAL EQUITY AND LIABILITIES		30,139.72	32,688.75
Corporate information and summary of significant accounting policies	1 & 2		
Contingent liabilities and commitments	44		
Other notes to accounts	45 to 57		

The accompanying notes are an integral part of the consolidated financial statements.

As per our Report of even date attached.

For PAWAN SHUBHAM & CO.

Chartered Accountants

Firm Registration No: 011573C

(PAWAN KUMAR AGARWAL)

Partner

M.No. 092345

(ANIL GUPTA)

Chairman-cum-Managing Director

DIN: 00006422

(RAJEEV GUPTA)

Executive Director (Finance) & CFO

DIN: 00128865

(KISHORE KUNAL)

GM (Corporate) & Company Secretary

M.No. FCS-9429

(ADARSH KUMAR JAIN)

Asst. Vice President (Finance)

M.No. FCA-502048

Place of Signing: New Delhi

Date: 29th May, 2021

Place of Signing: New Delhi

Date: 29th May, 2021

Consolidated Statement of Profit & Loss For The Year Ended 31st March, 2021**(₹ in Millions)**

Particulars	Note No.	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Income					
Revenue from Operations	31		41,815.37		48,878.00
Other Income	32		200.60		166.54
Total Income			42,015.97		49,044.54
Expenses					
Cost of Materials Consumed	33		27,935.82		35,031.60
Purchases of Traded Goods	34		107.88		117.10
Changes in inventory of Finished goods, Traded Goods and Work-in-progress	35		1,053.08		(1,326.72)
Employee Benefits Expenses	36		1,849.43		2,275.90
Finance Costs	37		573.09		1,291.51
Depreciation and Amortisation Expenses	38		578.14		566.89
Sub Contractor Expense for EPC Projects	39		1,493.62		1,606.16
Other Expenses	40		4,770.60		6,203.42
Total Expenses			38,361.66		45,765.86
Profit/ (loss) before share of profit /(loss) of Joint Venture and Associate Company			3,654.31		3,278.68
Share of profit/ (loss) of joint venture (net of tax)			1.00		(0.13)
Share of profit/ (loss) of Associate Company (net of tax)			-		(0.00)
Nil (Previous year ₹(1491))					
Profit Before Tax			3655.31		3,278.55
Tax Expense	41				
---Current tax		958.22		863.94	
---Deferred tax (Credit) / Charge		(19.68)		(136.36)	
---Short/(Excess) Provision-Earlier Years		(17.32)	921.22	(11.94)	715.64
Profit for the Year			2,734.09		2,562.91
Other Comprehensive Income	42				
--- Items not to be reclassified to Profit & Loss		15.55		(6.14)	
--- Income Tax on above		(6.31)		(4.21)	
--- Items to be reclassified to Profit & Loss		(0.92)		1.06	
--- Income Tax on above		0.46		0.07	
Other Comprehensive Income for the year net of Tax			8.78		(9.22)
Total Comprehensive Income for the year net of Tax			2,742.87		2,553.69
Profit/(Loss) attributable to					
Equity Shareholders of Parent Company			2,733.07		2,562.96
Non Controlling Interests			1.02		(0.05)
Other Comprehensive Income attributable to					
Equity Shareholders of Parent Company			8.83		(9.33)
Non Controlling Interests			(0.05)		0.11
Total Comprehensive Income attributable to					
Equity Shareholders of Parent Company			2,741.90		2,553.63
Non Controlling Interests			0.97		0.06
(Comprising Profit/Loss and Other Comprehensive Income)			2742.87		2,553.69
Earnings per Equity Share:	43				
Equity shares of face value ₹ 2/- each					
--- Basic (₹)			30.47		31.65
---Diluted (₹)			30.18		31.19
Corporate information and summary of significant accounting policies	1 & 2				
Contingent liabilities and commitments	44				
Other notes to accounts	45 to 57				

The accompanying notes are an integral part of the consolidated financial statements.

As per our Report of even date attached.

For PAWAN SHUBHAM & CO.

Chartered Accountants

Firm Registration No: 011573C

(PAWAN KUMAR AGARWAL)

Partner

M.No. 092345

(ANIL GUPTA)

Chairman-cum-Managing Director

DIN: 00006422

(KISHORE KUNAL)

GM (Corporate) & Company Secretary

M.No. FCS-9429

(RAJEEV GUPTA)

Executive Director (Finance) & CFO

DIN: 00128865

(ADARSH KUMAR JAIN)

Asst. Vice President (Finance)

M.No. FCA-502048

Place of Signing: New Delhi

Date: 29th May, 2021

Place of Signing: New Delhi

Date: 29th May, 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

Particulars	Balance as at 1 st April, 2020	Change in Equity Share Capital during the year	Balance as at 31 st March, 2021
Nos. of Equity Shares	8,95,04,438	3,51,000	8,98,55,438
₹ in Millions	179.01	0.70	179.71

B. Other Equity

Particulars	Reserve and Surplus				Other Comprehensive Income			Total	Non Controlling Interest
	Capital Reserve	Securities Premium	General Reserve	Employee Stock Option Outstanding	Retained Earnings	Re-Measurement of the Net defined benefit Plans	Foreign Currency Translation Reserve (FCTR)	Equity Instruments through other Comprehensive Income	
Balance as at 31st March, 2019	28.00	901.81	21.09	37.50	6,679.28	(29.70)	(2.00)	(13.36)	7,622.62
Impact on account of Adoption of Ind AS 116 (including Deferred Tax thereon) (refer Note No. 20)	-	-	-	-	(11.65)	-	-	-	(11.65)
Restated Balance as at 1 st April, 2019	28.00	901.81	21.09	37.50	6,667.63	(29.70)	(2.00)	(13.36)	7,610.97
Profit for the year	-	-	-	-	2,562.96	-	-	-	2,562.96
Total Comprehensive Income for the year	-	-	-	-	-	(0.57)	1.06	(9.78)	(9.29)
Employee Stock Compensation cost for the year	-	-	-	-	2,562.96	(0.57)	1.06	(9.78)	2,553.67
Dividend Paid (including Dividend Distribution Tax) for 2018-19 approved by Shareholders in Annual General Meeting held on 17 th Sep, 2019	-	-	-	-	(114.18)	-	-	-	(114.18)
Interim Dividend Paid (including Dividend Distribution Tax) for 2019-20 (refer Note No. 20)	-	-	-	-	(161.85)	-	-	-	(161.85)
Share issue expense for QIP	-	(130.73)	-	-	-	-	-	-	(130.73)
Securities Premium on allotment of Equity Shares (ESOS and QIP) during the year	-	5,043.73	-	(44.62)	-	-	-	-	4,999.11
Balance as at 31st March, 2020	28.00	5,814.81	21.09	129.00	8,954.56	(30.27)	(0.94)	(23.14)	14,893.11
Profit for the year	-	-	-	-	2,733.07	-	-	-	2,733.07
Transfer of Re-Measurement of the Net defined benefit Plans to Retained Earnings	-	-	-	-	(30.27)	30.27	-	-	-
Other Comprehensive Income for the Year	-	-	-	-	8.89	-	(0.41)	0.35	8.83
Total comprehensive income for the year	-	-	-	-	2,711.69	30.27	(0.41)	0.35	2,741.90
Employee Stock Compensation cost for the year	-	-	-	67.27	-	-	-	-	67.27
Interim Dividend Paid for 2020-21 (refer Note No. 20)	-	-	-	-	(179.71)	-	-	-	(179.71)
Securities Premium on allotment of Equity Shares (ESOS) during the year	-	159.00	-	(80.73)	-	-	-	-	78.27
Balance as at 31st March, 2021	28.00	5,973.81	21.09	115.54	11,486.54	-	(1.35)	(22.79)	17,600.84

Corporate information and summary of significant accounting policies 1 & 2
Contingent liabilities and commitments 44
Other notes to accounts 45 to 57

The accompanying notes are an integral part of the consolidated financial statements.

As per our Report of even date attached

For PAWAN SHUBHAM & CO.

Chartered Accountants

ICAI Firm Registration No: 011573C

(PAWAN KUMAR AGARWAL)

Partner

M.No. 092345

Place of Signing: New Delhi

Date: 29th May, 2021

(ANIL GUPTA)
Chairman-cum-Managing Director
DIN: 00006422

(KISHORE KUNAL)
GM (Corporate) & Company Secretary
M.No. FCS-9429

Place of Signing: New Delhi
Date: 29th May, 2021

(RAJEEV GUPTA)
Executive Director (Finance) & CFO
DIN: 00128865

(ADARSH KUMAR JAIN)
Asst. Vice President (Finance)
M.No. FCA-502048

Consolidated Cash Flow Statement For The Year Ended 31st March, 2021

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
(A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,654.31	3,278.68
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and Amortisation Expenses	578.14	566.89
Dividend received	(0.08)	(0.02)
Interest Income	(41.58)	(132.48)
Interest income on Financial Assets	(1.59)	(2.18)
Interest and other finance cost	554.45	1,275.70
Interest and Financial Charges on Lease Liabilities	18.64	15.81
Employee stock options expense	67.27	136.12
Provision for compensated absence/ Gratuity	(36.52)	(27.81)
Impairment Allowance on Trade Receivables	40.02	12.10
Provision for warranty	(1.44)	3.25
Recognition of lease as per IND AS 116	-	(11.65)
Bad Debts Written off	32.49	45.35
Unadjusted Credit Balances written off	(0.86)	(6.34)
Impairment in Loans Receivables	-	5.28
Fair valuation of financial assets	(0.60)	(0.60)
Unrealised foreign exchange (gain) / loss (net)	(0.92)	1.12
Property, Plant and Equipment Written off	0.27	21.80
(Gain)/ Loss on disposal of Property, Plant and Equipment	1.01	0.97
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	4,863.01	5,181.99
Movements in working capital :		
(Increase)/Decrease in Trade Receivables	107.64	(2,824.03)
(Increase)/Decrease in other financial and non-financial assets	1,287.78	16.82
(Increase)/Decrease in Inventories	955.62	(1,705.75)
Increase/(decrease) in trade payables, other financial and non-financial liabilities and provisions	(4,771.50)	148.00
Cash Generated from operations	2,442.55	817.03
Income tax paid (including TDS) (net)	(903.43)	(947.33)
Net cash flows from/(used in) operating activities (A)	1,539.12	(130.30)
(B) CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment (including Capital Work-In-Progress) and Intangible Assets	(240.03)	(805.30)
Sale of Property, Plant and Equipment	9.11	3.00
Purchase of Investment	-	(1.00)
Interest Income	41.58	132.48
Dividend Received	0.08	0.02
Maturity/(Investment) made in bank deposits (having original maturity of more than 3 months)	943.01	780.93
Net cash flows from/(used in) investing activities (B)	753.75	110.13
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings (Banks)	-	1,024.79
Proceeds from long term borrowings (others)	-	200.00
Repayment of long term borrowings (Banks)	(566.27)	(1,667.17)
Repayment of long term borrowings (Others)	-	(606.25)
Proceeds from finance lease	-	2.94
Repayment of finance lease	(14.95)	(16.22)
Interest and other Finance Charges	(554.45)	(1,275.70)

Consolidated Cash Flow Statement For The Year Ended 31st March, 2021 (Contd...)

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Interest and Financial Charges on Lease Liabilities	(18.64)	(15.81)
Inter corporate & other deposits (Net of repayments)	101.78	3.55
Working capital demand Loan - from banks	(333.79)	(1,386.32)
Working capital Loan from banks - Factoring Arrangements	201.16	116.76
Issue of Equity Share Capital (including premium) upon exercise of ESOS	78.98	20.27
Issue of Equity Share Capital (including premium) upon QIP	-	5,000.00
Share issue expenses for QIP	-	(130.73)
Dividend paid to equity shareholders	(179.71)	(228.97)
Dividend Distribution Tax	-	(47.06)
Net cash flows from/(used in) financing activities (C)	(1,285.89)	994.08
NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)	1,006.98	973.91
Cash & Cash Equivalents as at the beginning of year	1,194.64	220.73
Cash and Cash Equivalents at end of the year (Refer Note no. 13)	2,201.62	1,194.64

CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	Borrowings (Current & Non- Current)	Finance Lease Obligations on Hire Purchase of Vehicles Current Maturities
As at 1st April, 2019	5,956.60	37.80
Proceeds	1,330.34	2.94
Repayment	3,650.01	16.22
Fair Value Changes	5.04	-
As at 31st March, 2020	3,641.97	24.52
Proceeds	346.87	-
Repayment	946.56	14.95
Fair Value Changes	2.57	-
As at 31st March, 2021	3,044.85	9.57

Note :

i The Statement of Cash flow has been prepared under the 'Indirect Method' as set out in Ind AS 7-"Statement of Cash Flows".

ii Amounts in brackets, represent Cash Outflow.

iii Previous Year's figures have been regrouped and rearranged, wherever necessary.

Corporate information and summary of significant accounting policies 1 & 2

Contingent liabilities and commitments 44

Other notes to accounts 45 to 57

The accompanying notes are an integral part of the consolidated financial statements.

As per our Report of even date attached.

For PAWAN SHUBHAM & CO.

Chartered Accountants

Firm Registration No: 011573C

(PAWAN KUMAR AGARWAL)

Partner

M.No. 092345

(ANIL GUPTA)

Chairman-cum-Managing Director

DIN: 00006422

(KISHORE KUNAL)

GM (Corporate) & Company Secretary

M.No. FCS-9429

(RAJEEV GUPTA)

Executive Director (Finance) & CFO

DIN: 00128865

(ADARSH KUMAR JAIN)

Asst. Vice President (Finance)

M.No. FCA-502048

Place of Signing: New Delhi

Date: 29th May, 2021

Place of Signing: New Delhi

Date: 29th May, 2021

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

NOTE - 1

1.1 GROUP OVERVIEW

KEI Industries Ltd (hereinafter referred to as "KEI" or "the Company" or "the Parent Company") is a public limited company incorporated under the provisions of the Companies Act, 1956 having registered office at D-90, Okhla Industrial Area, Phase I, New Delhi-110020, India. It was established as a partnership firm "Krishna Electrical Industries" in the year 1968. The firm was later converted into Limited Company on 31st December 1992.

Equity Shares of the Parent Company are listed at National Stock Exchange of India Ltd (NSE), Bombay Stock Exchange Ltd (BSE) and The Calcutta Stock Exchange Ltd. Company has five manufacturing facilities/plants located at Bhiwadi, Chopanki & Pathredi in Rajasthan and Silvassa and Chinchpada in Dadra and Nagar Haveli and Daman and Diu.

KEI is engaged in the business of manufacturing, sale and marketing of all range of power cables up to 400kV - Low Tension (LT), High Tension (HT) and Extra High Voltage (EHV), Control And Instrumentation Cables, Specialty Cables, Elastomeric/Rubber Cables, Submersible Cables, Flexible And House Wires, Winding Wires which address the cabling requirements of a wide spectrum of sectors such as Power, Oil Refineries, Railways, Automobiles, Cement, Steel, Fertilizers, Textile and Real Estate amongst others. KEI also manufacture Stainless Steel Wires.

KEI is also engaged in execution of Engineering, Procurement and Construction projects (EPC) for survey, supply of materials, design, erection, testing & commissioning on a turnkey basis.

KEI has three major segments Cables, EPC and Stainless Steel Wire.

1.2 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

The Consolidated Financial Statements (hereinafter referred as Consolidated Financial Statements or the Financial Statements) of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on historical cost basis, except for following assets and liabilities:

- i. Certain Financial Assets & Financial Liabilities and Contingent Consideration that are measured at fair value
- ii. Assets held for sale measured at lower of cost or fair value less cost to sell
- iii. Defined benefit plan assets measured at fair value
- iv. Share-based payment liability measured at fair value

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

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All amounts are stated in Millions of Rupees, rounded off to two decimal places, except when otherwise indicated.

The Consolidated Financial Statements for year ended 31st March 2021 were authorized and approved for issue by Board of Directors of the Company on 29th May 2021.

NOTE - 2

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Consolidated Financial Statements have been prepared using Accounting Policies and measurement basis summarized below.

2.2 BASIS OF CONSOLIDATION:

2.2.1 BASIS OF ACCOUNTING

- I. Financial Statements of the Subsidiary, Associate and Joint Venture in the consideration are drawn up to same reporting date as of Parent Company for purpose of consolidation.
- II. Consolidated Financial Statements have been prepared in accordance Indian Accounting Standard (IND AS) 110-‘Consolidated Financial Statements’ and Indian Accounting Standard (IND AS) 111-‘Financial Reporting of interest in Joint Ventures’ specified under Section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

2.2.2 PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to the Parent Company, its Subsidiary, Associates and Joint Venture.

Subsidiary are those entities in which the Parent Company directly or indirectly, has interest more than 50% of voting power or otherwise control composition of board or governing body so as to obtain economic benefits from activities.

Associates are all entities where the group has significant influence but not control or joint control. This is generally when the group holds between 20% and 50% of voting rights. Investment in associates are accounted for using equity method of accounting.

When Group with other parties has joint control of arrangement and rights to net assets of joint arrangement, it recognises its interest as Joint Venture.

Consolidated Financial Statements have been prepared as per the following principles:

- I. Financial Statements of Parent Company and its Subsidiary are combined on a line by line basis by adding together of like items of Assets, Liabilities, Income and Expenses after eliminating intra-group balances, intra-group transactions, unrealized profits or losses in accordance with IND AS 110-‘Consolidated Financial Statements’ notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended time to time.
- II. Non-Controlling Interest (NCI) in net assets of the consolidated subsidiaries is identified and presented in Consolidated Balance Sheet separately from liabilities and equity attributable to Parent’s shareholders. NCI in net assets of consolidated subsidiaries consists of:-
 - a) Amount of equity attributable to NCI at the date on which investment in a subsidiary is made; and
 - b) NCI share of movement in equity since the date the parent subsidiary relationship came into existence.
- III. For acquisitions of additional interests in subsidiary, where there is no change in control, Group recognises a reduction to NCI of the respective Subsidiary with difference between this figure and cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of NCI, difference between cash received from sale or listing of subsidiary shares and increase to NCI is also recognised in equity.
- IV. If Group loses control over a subsidiary, it derecognises related assets (including

goodwill), liabilities, NCI and other components of equity, while any resultant gain or loss is recognised in profit and loss account. Any investment retained is recognised at fair value. Results of subsidiaries acquired or disposed of during the year are included in the Consolidated statement of Profit and Loss from effective date of acquisition or up to effective date of disposal, as appropriate.

- V. In case of foreign subsidiaries, being non integral foreign operations, revenue items are consolidated at average exchange rates prevailing during the year. All assets and liabilities are converted at rates prevailing at end of the year. Components of equity are translated at closing rate. Any Gain or (Loss) on exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve (FCTR).
- VI. In case of Associates and Joint Venture, investments are accounted for using equity method in accordance with IND AS-28 "Investments in Associates and Joint Ventures". Under equity method, carrying amount of investment in Associates and Joint Ventures is increased or decreased to recognize the Group's share of Profit and Loss and Other Comprehensive Income of Associate and Joint Venture, adjusted where necessary to ensure consistency with Accounting Policies of Group. Goodwill relating to associate or joint venture is included in carrying amount of investment and is not tested for impairment individually. The carrying amount of these investments are tested for impairment in accordance with IND AS-36 "Impairment of Assets".
- VII. Consolidated Financial Statements are prepared using uniform Accounting Policies for like transactions and other events in similar circumstances and are presented to extent possible, in same manner as Parent Company's Separate Financial Statements except as otherwise stated in notes to the accounts.

2.3 PROPERTY, PLANT AND EQUIPMENT

2.3.1 RECOGNITION

Freehold land is carried at historical cost.

Cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to Statement of Profit and Loss in the period in which costs are incurred.

Borrowing Cost attributable to acquisition, construction of qualifying assets is capitalized until such time as the assets are substantially ready for their intended use. Indirect expenses during construction period, which are required to bring the asset in the condition for its intended use by the management and are directly attributable to bringing the asset to its position, are also capitalised.

2.3.2 SUBSEQUENT MEASUREMENT

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 Group and cost of the item can be measured reliably.

All other repairs & maintenance are charged to Statement of Profit and Loss.

2.3.3 DEPRECIATION

Depreciation on Property, Plant and Equipment is charged on straight line method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by Independent valuer and approved by the Management or rates arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013.

The following useful lives are applied:

Asset category	Estimated useful life (in years)
Land	
- Lease Hold (Finance Lease)	Over the Lease period
- Perpetual Lease	Treated as Freehold Land
Buildings	
- Factory Buildings	30 Years
- Building (other than factory buildings)	60 Years
- Other (including temporary structure, etc.)	05 Years
- Leasehold Building Improvements	Over the Lease period
Plant and Equipment including Project tools	05 - 20 Years
Furniture and Fittings	05 - 10 Years
Motor Vehicles	
- Hire Purchase & Owned	08 - 10 Years
Office Equipment	05 Years
Computers	
- Servers and networks	06 Years
- End user devices viz. desktops, laptops, etc.	03 Years

Leasehold land is amortised on a straight line basis over the unexpired period of their respective lease ranging from 75-95 years. Leasehold improvements are depreciated on straight line basis over their initial agreement period.

Property, Plant and Equipment individually costing upto ₹ 5,000 are fully depreciated in the year of acquisition.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.3.4 DE-RECOGNITION

An item of Property, Plant and Equipment and any significant part initially recognised 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 (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss account when the asset is derecognised.

2.4 CAPITAL WORK IN PROGRESS

Assets in the course of construction are capitalized in capital work in progress account. Capital work-in-progress represents expenditure incurred in respect of assets under development and is carried at cost. Cost includes related acquisition expenses, construction cost, borrowing cost capitalized and other direct expenditure.

At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of Property, Plant and Equipment. Costs are capitalised till the period of commissioning of an asset.

2.5 INTANGIBLE ASSETS

2.5.1 INTANGIBLE ASSETS WITH FINITE USEFUL LIFE

Intangible assets with finite useful life are stated at cost of acquisition, less accumulated depreciation/ amortisation and impairment loss, if any. The cost of Intangible Assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities).

2.5.2 AMORTISATION

Amortisation is recognised in Statement of Profit and Loss account on straight-line basis over estimated useful lives of respective intangible assets, but not exceeding useful lives given here under:

Asset category	Estimated useful life (in years)
Computer Software	05 Years

2.5.3 DE-RECOGNITION

An item of Intangible Asset or any significant part initially recognised 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 (calculated as the difference between net disposal proceeds and carrying amount of the asset) is included in Statement of Profit and Loss Account when asset is derecognised.

2.6 IMPAIRMENT OF NON FINANCIAL ASSETS

Carrying amount of assets is reviewed at each reporting date where there is any indication of impairment based on internal/external indicators. An impairment loss is recognised in Statement of Profit and Loss where carrying amount exceeds recoverable amount of assets. Impairment loss is reversed, if, there is change in recoverable amount and such loss either no longer exists or has decreased or indication on which impairment was recognised no longer exists.

2.7 FINANCIAL INSTRUMENTS

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

2.7.1 FINANCIAL ASSETS

2.7.1.1 INITIAL RECOGNITION & MEASUREMENT

Financial Assets are recognised when the Group becomes a party to contractual provisions of Financial Instrument.

Financial assets are initially measured at Fair Value. Transaction costs that are directly attributable to acquisition of financial assets (other than financial assets at Fair Value through Profit or Loss) are added to fair value of financial assets. Transaction costs directly attributable to acquisition of financial assets at Fair Value through profit or loss are recognised immediately in statement of Profit and Loss.

2.7.1.2 SUBSEQUENT MEASUREMENT

- i. **Debt Instruments at Amortised Cost:** A 'debt instrument' is measured at amortised cost if both of the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. All other debt instruments are measured at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) based on the Group's business model.

- ii. **Equity Investments:** All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through Profit and Loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) on an instrument to instrument basis.
- iii. **Mutual Funds:** All mutual funds in scope of Ind AS 109 are measured at Fair Value through Other Comprehensive Income (FVOCI)

2.7.1.3 IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are debt instruments, and are measured at amortised cost e.g., Loans, Debt Securities, Deposits and Trade Receivables or any contractual right to receive cash or another financial asset that result from transactions that are within scope of Ind AS 115.

The Group follows 'Simplified Approach' for recognition of impairment loss allowance on trade receivables. Application of simplified approach recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized under the head 'Other Expenses' in the statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

- i. **Financial assets measured as at amortised cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. This allowance reduces the net carrying amount.
- ii. **Debt instruments measured at FVTPL:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Change in fair value is taken to the statement of Profit and Loss.
- iii. **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at Fair Value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'Accumulated Impairment Amount' in the Other Comprehensive Income (OCI). The Group does not have any Purchased or Originated Credit Impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

2.7.1.4 DE-RECOGNITION OF FINANCIAL ASSETS

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Balance Sheet) when:

- i. The rights to receive cash flows from asset has expired, or

- ii. The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement and either
 - (a) The Group has transferred substantially all risks and rewards of the asset, or
 - (b) The Group has neither transferred nor retained substantially all risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates, if and to what extent it has retained risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects rights and obligations that the Group has retained.

2.7.2 FINANCIAL LIABILITIES

2.7.2.1 INITIAL RECOGNITION AND MEASUREMENT

Financial liabilities are classified at initial recognition as

- Financial liabilities at fair value through Profit or Loss
- Loans and Borrowings
- Payables

All financial liabilities are recognised initially at fair value and in case of loans and borrowings and payables, they are recognised net of directly attributable transaction costs.

The Group's financial liabilities include Loans and Borrowings including Bank Overdraft, Trade Payable, Trade Deposits, Retention Money, Liabilities towards Services and Other Payables.

Financial Liabilities are classified as at amortised cost.

2.7.2.2 SUBSEQUENT MEASUREMENT

Subsequent to initial recognition, measurement of financial liabilities depends on their classification, as described below:

- i. **Financial liabilities at Fair Value Through Profit or Loss (FVTPL):** Financial liabilities at Fair Value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for purpose of repurchasing in near term.
- ii. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. These gains/losses are not subsequently transferred to statement of profit and loss. However, the Group may transfer cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

- iii. **Loans and Borrowings:** After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (hereinafter referred as EIR) method. Gains and Losses are recognised in statement of profit and loss when liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR amortisation is included as Finance Costs in the statement of profit and loss.
- iv. **Trade and Other Payables:** These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.
- v. **Acceptances:** The Group enters into arrangements for purchase under usance Letter of credit issued by banks under non-fund based working capital limits of the Group. Considering these arrangements are majorly for raw materials with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as Acceptances under Trade and other payables.

2.7.2.3 DE-RECOGNITION OF FINANCIAL LIABILITIES

A Financial Liability is de-recognised when obligation under the liability is discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on the previous experience of Management and actual facts of each case and recognised in Other Operating Income if arising during normal course of business. When an existing Financial Liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability. Difference in respective carrying amounts is recognised in the Statement of Profit and Loss.

2.7.3 DERIVATIVE FINANCIAL INSTRUMENTS

In some cases, Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. Method of recognizing resulting gain or loss depends on whether derivative is designated as a hedging instrument, and if so, on nature of item being hedged. Any gains or losses arising from changes in fair value of derivatives are taken directly to statement of profit and loss.

2.7.4 OFFSETTING OF FINANCIAL INSTRUMENTS

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

2.8 INVENTORIES

2.8.1 BASIS OF VALUATION

- Finished Goods, Project Materials are valued at lower of cost or net realisable value.
- Stores, Spares & Consumables and Packing Materials are valued at cost.
- Stock in Process is valued at lower of cost or net realisable value.
- Raw Materials are valued at cost or net realisable value, whichever is lower.
- Scrap Materials have been valued at net realisable value.
- Traded Goods are valued at lower of cost or net realisable value.

2.8.2 METHOD OF VALUATION

- **Finished Goods** is determined by taking derived material costs, duties and taxes as applicable (other than those recoverable from tax authorities) and other overheads.
- Project Materials, Traded Goods is determined on First in First out (FIFO) basis.
- **Packing Materials, Stores & Spares** are determined on weighted average basis.
- **Work in Process** includes raw material costs and allocated production overheads.
- **Raw materials** is determined on First in First out (FIFO) basis.
- **Net realisable value** is estimated selling price in ordinary course of business less estimated costs of completion and estimated costs necessary to make sale.

2.9 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise Cash in Hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and Demand Deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.10 TAXES

2.10.1 CURRENT INCOME TAX

Current Income Tax assets and liabilities are measured at 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, at the reporting date.

Current income tax relating to items recognised outside Profit and Loss is recognised outside profit and loss (either in Other Comprehensive Income or in Equity). Current tax items are recognised in correlation to underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.10.2 DEFERRED TAX

Deferred Income Taxes are calculated using Balance Sheet Approach, on temporary differences between 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, except when it is probable that temporary differences will not reverse in foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to extent that it is probable that taxable profit will be available against which deductible temporary differences and carry forward of unused tax credits and unused tax losses can be utilized.

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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI 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 same taxation authority.

Tax expense for the year comprises of current tax and deferred tax.

2.10.3 INDIRECT TAXES

Expenses and Assets are recognised net of the amount of Indirect Taxes viz. GST/VAT, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, indirect tax is recognised as part of cost of acquisition of asset or as part of expense item, as applicable.
- ii. When receivables and payables are stated with amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of recoverable or payables in the Balance Sheet.

2.11 EQUITY AND RESERVES

- i. **Share Capital** represents nominal value of shares that have been issued. Any transaction costs associated with issuing of shares are deducted from retained earnings, net of any related income tax benefits.
- ii. **Other Components of Equity** includes Other Comprehensive Income arising from actuarial gain or loss on re-measurement of defined benefit liability and return on plan assets.
- iii. **Retained Earnings** include all current and prior period retained profits.

2.12 DIVIDEND PAYMENTS

Annual dividend distribution to shareholders is recognised as a liability in the period in which dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on Dividend Distribution is recognised directly in equity.

2.13 REVENUE RECOGNITION

2.13.1 MEASUREMENT OF REVENUE

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

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentive schemes, if any, as per contracts with customers. Taxes collected from customers on behalf of Government are not treated as Revenue.

2.13.2 ENGINEERING, PROCUREMENT AND CONSTRUCTION (EPC) PROJECTS

Performance obligation in case of revenue from long - term contracts is satisfied over the period of time. Since the Group creates an asset that the customer controls as the asset is created and the Group has an enforceable right to payment for performance completed to date if it meets the agreed specifications. Revenue from long term contracts, where the outcome can be estimated reliably and 10% of the project cost is incurred, is recognized under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The total costs of contracts are estimated based on technical and other estimates. In case of value of uninstalled materials incurred that is not proportionate to the Group's progress in satisfying the performance obligation, revenue is to be recognised at an amount equal to the cost of a good used to satisfy a performance obligation. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is

reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities". Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contract.

2.13.3 SALE OF GOODS

Revenue from sale of goods is recognised at the point of time when control of the asset is transferred to the customer, generally on delivery of the equipment. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., Freight and Incentive schemes). In determining the transaction price for the sale of Cable, the Group considers the effects of variable consideration and consideration payable to the customer (if any).

For contracts that are CIF (Cost Insurance Freight) contracts, the revenue is recognised when the goods reached at final destination. For contracts that are FOB (Free on Board) contracts, revenue is recognised when Group delivers the goods to an independent carrier.

2.13.4 VARIABLE CONSIDERATION

If consideration in a contract includes a variable amount, the Group estimates amount of consideration to which it will be entitled in exchange for transferring the goods to customer. Variable Consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in amount of cumulative revenue recognised will not occur when associated uncertainty with variable consideration is subsequently resolved. Some contracts for sale of manufactured goods provide customers with a right of Incentives & Discounts. The Incentives and Volume Rebates give rise to variable consideration.

- i. **Cash Discount** which are determinable on the date of transaction, are recognised as reduction of revenue by the Group.
- ii. **Volume Discounts, Timely Payment Incentives & Other Incentive Schemes** the Group provides retrospective volume discounts to certain customers once the quantity of products purchased during the period exceed a threshold specified in the contract. Other Incentives promised by the Group on achieving certain sales thresholds also a form of identifiable benefit that are identified as a separate component of the sales transaction.

In such cases, the Group estimates fair value of Incentives promised to its customers. To estimate the variable consideration for the expected future rebates and discounts, the Group applies the expected value method. The Group estimates variable consideration and recognises a refund liability for the expected future rebates. Accordingly, the Group recognises lesser revenue if such discounts are probable and the amount is determinable. Any subsequent changes in the amount of such estimates are transferred to statement of profit and loss.

- iii. **Other Variable Considerations** if the consideration promised in the contract includes a variable amount, the Group estimates the amount of consideration to which the in exchange for transferring the promised goods or services to the customer. This estimate is updated at each reporting date.

2.14 CONTRACT BALANCES

2.14.1 CONTRACT ASSETS & CONTRACT LIABILITIES

Contract Assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned/deferred revenue ("contract liability") is recognised when there is billing in excess of revenue.

2.14.2 TRADE RECEIVABLES

Trade receivables represent Group'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). Trade Receivables are generally non-interest bearing and are recognised initially at fair value and subsequently measured at cost less provision for impairment.

As a practical expedient the Group has adopted 'Simplified Approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime Expected Credit Losses.

2.15 INCOME RECOGNITION

2.15.1 DIVIDEND INCOME

Dividends are recognised in profit and loss only when the right to receive payment is established.

2.15.2 INTEREST INCOME

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is rate that exactly discounts estimated future cash receipts through expected life of the financial asset to gross carrying amount of a financial asset. When calculating effective interest rate, the Group estimates expected cash flows by considering all contractual terms of financial instrument but does not consider expected credit losses.

2.15.3 OTHER INCOME

Other claims including interest on outstanding are accounted for when there is virtual certainty of ultimate collection.

2.16 BORROWING COSTS

Borrowing Costs directly attributable to acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of asset. Financing Cost incurred on general borrowing used for projects is capitalized at weighted average cost. Amount of such borrowing is determined after setting off amount of internal accruals. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to borrowing cost.

2.17 EXPENDITURE

Expenses are accounted on accrual basis.

2.18 EMPLOYEE BENEFIT SCHEMES

2.18.1 SHORT-TERM EMPLOYEE BENEFITS

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as related service is rendered by employees.

2.18.2 COMPENSATED ABSENCES

Group provides for encashment of accumulated leaves with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment/availment. The liability is provided based on number of days of unutilized leave at each Balance Sheet date on basis of an independent actuarial valuation.

2.18.3 GRATUITY

Liabilities with regard to gratuity benefits payable in future are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit method and contributed to fund maintained by approved trust and administered through a separate irrevocable trust set up by the Group.

Actuarial gains and losses arising from changes in actuarial assumptions are recognized in Other Comprehensive Income and shall not be reclassified to the Statement of Profit and Loss in subsequent period.

2.18.4 PROVIDENT FUND

Eligible employees of the Group receive benefits from a Provident Fund, which is a defined benefit plan. Both the eligible employee and the Group make monthly contributions to provident fund plan equal to a specified percentage of covered employee's salary.

2.19 SHARE-BASED PAYMENTS

Fair Value of options granted under this option plan is recognised as an employee benefit expense with corresponding increase in equity in accordance with recognition and measurement principles as prescribed in Ind AS 102 Share Based Payments.

Total expense is recognised over the vesting period, which is period over which all of specified vesting conditions are to be satisfied. At end of the reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises impact of revision to original estimates, if any, in profit and loss, with corresponding adjustment to equity.

2.20 FOREIGN CURRENCY

2.20.1 FUNCTIONAL AND PRESENTATION CURRENCY

The Consolidated Financial Statements are presented in Indian Rupee ('₹'), which is the Group's functional Currency and presentation Currency.

2.20.2 FOREIGN CURRENCY TRANSACTIONS AND BALANCES

In Consolidated Financial Statements of the Group, transactions in currencies other than functional currency are translated into functional currency at exchange rates ruling at date of transaction. Monetary assets and liabilities denominated in other currencies are translated into functional currency at exchange rates prevailing on reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are not retranslated.

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the Other Comprehensive Income.

For Advance Consideration, date of transaction for purpose of determining exchange rate to use on initial recognition of the related asset, expense or income when the Group has received or paid advance consideration in Foreign Currency.

2.21 LEASES

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no material changes are required to lease period relating to the existing lease contracts.

GROUP AS A LESSEE

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, group's incremental borrowing rate. Generally, the group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the group is reasonably certain to exercise, lease payments in an optional renewal period if the group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee, or if group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

SHORT-TERM LEASES AND LEASES OF LOW-VALUE ASSETS

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.22 EARNINGS PER SHARE

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares.

- i. **Basic EPS** is calculated by dividing profit/ (loss) attributable to equity shareholders of the Parent Company by weighted average number of equity shares outstanding during the period.
- ii. **Diluted EPS** is computed using profit/ (loss) for the year attributable to shareholder' and weighted average number of equity and potential equity shares outstanding during the period, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

2.23 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The assessments undertaken in recognising provisions and contingencies have been made in accordance with applicable Ind AS. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

2.23.1 PROVISIONS

Provisions represent liabilities to the Group for which amount or timing is uncertain. Provisions are recognized when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost.

2.23.2 WARRANTY PROVISIONS

The Group provides product warranties and does not sell the warranty separately to its customers. Provision for warranty-related costs is recognised when the product is sold or service is provided to customers. Initial recognition is based on historical experience. The Group periodically reviews the adequacy of product warranties and adjusts warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be within one to two years.

2.23.3 ONEROUS CONTRACTS

An Onerous Contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. If the Group identifies a contract as an Onerous Contract, the present obligation under the contract is measured and recognised as provision.

2.23.4 CONTINGENT LIABILITIES

In normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees including Guarantees given on behalf of Joint Venture Companies are also provided in the normal course of business.

There are certain obligations which management of the Group has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Show Cause Notices received are not treated as Contingent Liabilities.

Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

2.23.5 CONTINGENT ASSETS

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

2.24 CASH FLOW STATEMENT

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flows from operating, investing and financing activities of the Group are segregated based on available information.

2.25 SEGMENT REPORTING

- i. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker.
- ii. Revenue and Expenses are identified to segments on the basis of their relationship to the operating activities of the segment.
- iii. Inter segment revenue are accounted for, based on the Arm's Length Price.
- iv. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue / expenses / assets / liabilities".

2.26 MISCELLANEOUS EXPENDITURE

Public issue expenditure/ Share Issue expenses on private placement basis/ 'FCCBs' issue expenditure is being written off against Securities/Share premium, net of taxes, in the year of issue.

2.27 CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. The Group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by Ministry of Corporate Affairs (MCA).

- i. An asset is classified as current when it is:
 - a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
 - b) Held primarily for purpose of trading,
 - c) Expected to be realised within twelve months after reporting period, or
 - d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after reporting period.
- ii. All other assets are classified as non-current.
- iii. A liability is classified as current when it is:
 - a) Expected to be settled in normal operating cycle,
 - b) Held primarily for purpose of trading,
 - c) Due to be settled within twelve months after reporting period, or
 - d) There is no unconditional right to defer settlement of liability for at least twelve months after reporting period.

- iv. All other liabilities are classified as non-current.
- v. Operating Cycle is time between acquisition of assets for processing and their realisation in cash or cash equivalents.
- vi. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.28 FAIR VALUE MEASUREMENT

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

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

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

The principal or the most advantageous market must be accessible to the Group.

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

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using asset in its highest and best use or by selling it to another market participant that would use asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at end of each reporting period.

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

Other Fair Value related disclosures are given in the relevant notes.

2.29 EXCEPTIONAL ITEMS

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Group's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments of subsidiaries, associate and joint ventures and impairment losses/write down in the value of investment in subsidiaries, associates and joint ventures and significant disposal of fixed assets.

2.30 SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

Preparation of Consolidated Financial Statements requires management to make estimates and assumptions that affect reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of income & expenses during the periods.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Although these estimates and assumptions used in accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of date of financial statements which in management's opinion are prudent and reasonable, actual results may differ from estimates and assumptions used in preparing accompanying financial statements.

Any revision to accounting estimates is recognized prospectively from the period in which results are known/ materialise in accordance with applicable Indian Accounting Standards (Ind AS).

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

2.31 SIGNIFICANT MANAGEMENT JUDGEMENTS

Following are Significant Management Judgements in applying Accounting Policies of the Group that have most significant effect on the Financial Statements.

2.31.1 EVALUATION OF INDICATORS FOR IMPAIRMENT OF ASSETS

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of assets.

2.31.2 REVENUE FROM CONTRACTS WITH CUSTOMERS

Certain contracts of the Group for sale of goods include discounts, rebates & Incentives that give rise to variable consideration. The Group determined that estimates of variable consideration are based on its historical experience, business forecast and current economic conditions. The Group determined that expected value method is appropriate method to use in estimating the variable consideration as the large number of customer contracts that have similar characteristics.

2.32 ESTIMATION UNCERTAINTY

Information about estimates and assumptions that have most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below:

2.32.1 REVENUE RECOGNITION

Where revenue contracts include deferred payment terms, management of the Group determines fair value of consideration receivable using the expected collection period and interest rate applicable to similar instruments with a similar credit rating prevailing at the date of transaction.

2.32.2 COST TO COMPLETE

The Group's management estimate the cost to complete for each project for the purpose of revenue recognition and recognition of anticipated losses of the projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of

actual results and future projections with comparison against budget. The process requires monitoring controls including financial and operational controls and identifying major risks facing the Group and developing and implementing initiative to manage those risks. The Group's Management is confident that the costs to complete the project are fairly estimated.

2.32.3 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENT

When fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as Liquidity Risk, Credit Risk and Volatility. Changes in assumptions about these factors could affect reported fair value of financial instruments.

2.32.4 IMPAIRMENT OF FINANCIAL ASSETS

Impairment Provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.32.5 IMPAIRMENT OF INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future market conditions and other parameters that affect the operations of these entities.

2.32.6 INVENTORIES

The Group estimates net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories maybe affected by future technology or other market driven changes that may reduce future selling prices.

2.32.7 RECOVERABILITY OF ADVANCES / RECEIVABLES

The Group from time to time review the recoverability of advances and receivables. Review is done at least once in a financial year and such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

2.32.8 PROVISIONS FOR WARRANTIES

Warranty provisions are determined based on the historical percentage of warranty expense to sales for the same types of goods for which the warranty is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the warranty expense to be accrued. It is very unlikely that actual warranty claims will exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

2.32.9 INCOME TAXES

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between actual results and assumptions made, or future changes to

such assumptions, could necessitate future adjustments to tax income and expense already recorded.

The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by taxable entity and responsible tax authority.

2.32.10 PROVISIONS AND CONTINGENCIES

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

2.32.11 DEFINED BENEFIT OBLIGATION (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the DBO amount and the annual defined benefit expenses.

2.32.12 ESTIMATION OF UNCERTAINTIES RELATING TO THE GLOBAL HEALTH PANDEMIC FROM COVID-19

In view of the unprecedented COVID-19 pandemic and economic forecasts, the Management has evaluated the impact on its financial results for the current quarter and made appropriate adjustment to revenue, debtors provisioning and actuarial assumptions. In assessing the recoverability of its assets including receivables and inventories, the Group has considered internal and external information upto the date of approval of these financial statements including economic forecasts. The Group has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

2.33 STANDARDS AMENDED DURING THE YEAR

The following Accounting Standards have been modified on miscellaneous issues with effect from 24th July 2020. Such changes include clarification/guidance on:

- Ind AS 1 Presentation of Financial Statements – Substitution of the definition of term 'Material'
- Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors – In order to maintain consistency with Ind AS 1, the respective changes have been made to Ind AS 8.
- Ind AS 10 Events after the Reporting Period – Clarification on the disclosures requirements to be made in case of a material non- adjusting event.
- Ind AS 34 Interim Financial Reporting – In order to maintain consistency with the amendments made in other Ind AS, respective changes have been made to Ind AS 34.
- Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets – Clarification on the accounting treatment for restructuring plans.
- Ind AS 103 Business Combination – Detailed guidance on term 'Business' and 'Business Combination' along with providing an Optional test to identify concentration of Fair Value.
- Ind AS 107 Financial Instruments: Disclosures – Clarification on certain disclosures to be made in respect of uncertainty arising from interest rate benchmark reforms.

- Ind AS 109 Financial Instruments – Clarification on temporary exceptions from applying specific hedge accounting requirements along with providing guidance on transition for hedge accounting.

The Group does not have any impact of these amendments on its financial statements for the year.

2.34 RECENT PRONOUNCEMENT

On 24th March 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013 to be effective from 1st April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head duly distinguished as current or non current.
- Certain additional disclosures in the statement of changes in equity.
- 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 regulatory 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 standalone financial statements.

The amendments are extensive, and the Group will evaluate the same to give effect to them as required by law.

3. Property, Plant and Equipment:

(₹ in Millions)

Particulars	Freehold Land	Freehold Buildings	Lease hold Land	Lease hold Buildings Improvements	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Asset Taken on Finance Lease - Hire Purchase Vehicles	Computers	Total
Gross Carrying Amount											
As at 1st April, 2019	96.98	1,351.84	317.45	94.08	3,595.41	88.03	50.38	34.56	70.26	69.95	5,768.94
Additions	-	264.28	-	-	721.89	15.48	16.33	10.33	-	14.53	1,042.84
Disposals/Adjustments	-	0.09	-	-	38.63	6.54	0.33	2.41	-	13.19	61.19
Transfer to Right of Use Assets*	-	-	317.45	94.08	-	-	-	-	70.26	-	481.79
As at 31st March, 2020	96.98	1,616.03	-	-	4,278.67	96.97	66.38	42.48	-	71.29	6,268.80
Additions	-	9.89	-	-	269.12	2.60	5.92	2.92	-	2.06	292.51
Disposals/Adjustments	-	-	-	-	11.94	-	6.83	-	-	0.06	18.83
Transfer from Right of Use Assets	-	-	-	-	-	-	20.84	-	-	-	20.84
As at 31st March, 2021	96.98	1,625.92	-	-	4,535.85	99.57	86.31	45.40	-	73.29	6,563.32
Depreciation and Impairment											
As at 1st April, 2019	-	117.93	10.68	48.23	616.01	36.04	16.19	12.25	14.60	40.24	912.17
Depreciation charge for the year	-	52.56	-	-	410.29	11.68	6.44	7.37	-	17.30	505.64
Impairment	-	-	-	-	-	-	-	-	-	-	-
Disposals/Adjustments	-	0.04	-	-	17.74	4.67	0.28	1.50	-	11.19	35.42
Transfer to Right of Use Assets*	-	-	10.68	48.23	-	-	-	-	14.60	-	73.51
As at 31st March, 2020	-	170.45	-	-	1,008.56	43.05	22.35	18.12	-	46.35	1,308.88
Depreciation charge for the year	-	56.35	-	-	419.71	9.73	10.51	7.60	-	11.81	515.71
Impairment	-	-	-	-	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	3.70	-	4.71	-	-	0.04	8.45
Transfer from Right of Use Assets	-	-	-	-	-	-	3.72	-	-	-	3.72
As at 31st March, 2021	-	226.80	-	-	1,424.57	52.78	31.87	25.72	-	58.12	1,819.86
Net Carrying value											
As at 31st March, 2021	96.98	1,399.12	-	-	3,111.28	46.79	54.44	19.68	-	15.17	4,743.46
As at 31st March, 2020	96.98	1,445.58	-	-	3,270.11	53.92	44.03	24.36	-	24.94	4,959.92

3.1 (a) Refer note no. 21 & 25 for Property, Plant & Equipment pledged as security.

(b) *Transferred to "Right of Use Assets" at net Value as per Ind AS 116.

4. Capital Work in Progress

(₹ in Millions)

Particulars	Building	Plant & Equipment	Furniture & Fixtures	Leasehold building improvement (ROU)	Construction Period Expenses Pending allocation	Total
As at 1st April, 2019	160.79	134.55	3.35	-	17.37	316.06
Additions	104.81	597.07	10.11	-	26.25	738.24
Transfer to PPE/ROU	264.20	620.93	13.45	-	43.62	942.20
As at 31st March, 2020	1.40	110.69	0.01	-	0.00	112.10
Additions	13.90	143.37	0.63	7.45	2.00	167.35
Transfer to PPE/ROU	9.08	196.40	0.64	-	2.00	208.12
As at 31st March, 2021	6.22	57.66	-	7.45	0.00	71.33
Net Carrying value						
As at 31st March, 2021	6.22	57.66	-	7.45	0.00	71.33
As at 31st March, 2020	1.40	110.69	0.01	-	0.00	112.10

4.1 (a) Contractual commitments for the acquisition of Property, Plant & Equipment ₹ 156.49 Millions (Previous Year ₹ 159.11 Millions).

(b) Amount of Borrowing Costs Capitalised during the year in accordance with Ind AS - 23 "Borrowing Cost". Asset wise break up of borrowing cost capitalized is given as below:

(₹ in Millions)

PARTICULARS	31 st March, 2021	31 st March, 2020
Building	-	11.40
Plant & Equipment	-	15.46
Furniture & Fixtures	-	0.39
Total Borrowing Cost Allocated to Assets during the year	-	27.25
Borrowing Cost Pending allocation for future years	-	-

(c) Capitalization rate Nil, (Previous Year 9.31%) has been used to determine amount of borrowing cost eligible for capitalization.

5. Right of Use Assets:

(₹ in Millions)

Particulars	Lease hold Land	Lease hold Buildings Improvements	Buildings & Warehouses	Asset Taken on Finance Lease - Hire Purchase Vehicles	Total
Gross Carrying Amount					
As at 1st April, 2019	306.77	45.85	170.32	55.66	578.60
Additions	-	2.39	12.61	2.94	17.94
Disposals/Adjustments	-	-	-	-	-
As at 31st March, 2020	306.77	48.24	182.93	58.60	596.54
Additions	-	-	130.89	-	130.89
Disposals/Adjustments	-	-	-	-	-
Transfer to PPE	-	-	-	20.84	20.84
As at 31st March, 2021	306.77	48.24	313.82	37.76	706.59
Depreciation and Impairment					
As at 1st April, 2019	-	-	-	-	-
Depreciation charge for the year	3.53	6.76	30.62	8.55	49.46
Impairment	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-
As at 31st March, 2020	3.53	6.76	30.62	8.55	49.46
Depreciation charge for the year	3.60	6.52	35.93	4.97	51.02
Impairment	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-
Transfer to PPE	-	-	-	3.72	3.72
As at 31st March, 2021	7.13	13.28	66.55	9.80	96.76
Net Carrying value					
As at 31st March, 2021	299.64	34.96	247.27	27.96	609.83
As at 31st March, 2020	303.24	41.48	152.31	50.05	547.08

5.1 (a) For Disclosures related to Ind AS 116 refer Note No. 47.

(b) Leasehold Land represents land obtained on long term lease from Government Authorities and are considered as Finance Lease.

(c) Refer note no. 21 & 25 for Right of Use Assets pledged as security.

6. Intangible Assets:

(₹ in Millions)

Particulars	Other Intangibles (Computer software)	Total
Gross Carrying amount (at cost)		
As at 1st April, 2019	56.00	56.00
Additions during the year	11.22	11.22
Adjustments	-	-
As at 31st March, 2020	67.22	67.22
Additions during the year	0.08	0.08
Adjustments	0.02	0.02
As at 31st March, 2021	67.28	67.28

Particulars	Other Intangibles (Computer software)	Total
Accumulated Amortization		
As at 1st April , 2019	26.22	26.22
Additions during the year	11.79	11.79
Adjustments	-	-
As at 31st March, 2020	38.01	38.01
Amortization	11.41	11.41
Disposals/Adjustments	0.01	0.01
As at 31st March, 2021	49.41	49.41
Net Carrying value		
As at 31st March, 2021	17.87	17.87
As at 31st March, 2020	29.21	29.21

7. Investments:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
1 Investments Equity Instruments (Quoted and Unquoted)		
<i>a) In Associate**</i>	-	-
<i>b) Others *** (Investments at fair value through OCI)</i>	4.68	2.80
Total Investments in Equity Instruments	4.68	2.80
2 Investments Mutual Funds (Unquoted) (Investments at fair value through OCI)		
<i>a) Investments in Mutual Funds****</i>	4.40	3.17
Total Investments in Mutual Funds	4.40	3.17
3 Investment in AOP (Unquoted) (Investments at Equity Method)		
<i>a) Investments in Joint Venture of KEI Industries Ltd New Delhi & Brugg Kable AG Switzerland</i>	2.57	1.57
Total Investments in AOP	2.57	1.57
Total Investments	11.65	7.54
** Investments in Associates (Investments at Equity Method)		
-- KEI Cables SA (PTY) Limited (principal place of business - South Africa) 490 (Previous Year 490) Equity Shares of 1 ZAR each fully paid - ₹ 2,351 (Previous year ₹ 2,351)	0.00	0.00
Less: Provision for Impairment ₹ 2,351 (Previous year ₹ 2,351)	0.00	0.00

Particulars		As at 31 st March, 2021	As at 31 st March, 2020
	Net Investment in Associate	-	-
	*** Investment in Equity Shares (Quoted)		
	--- State Bank of India	0.24	0.13
	670 (Previous Year 670) Equity Shares of ₹ 1 each fully paid		
	.--- PNB Gilts Limited	0.38	0.19
	8000 (Previous Year 8000) Equity Shares of ₹ 10 each fully paid		
	.--- Punjab National Bank	0.40	0.36
	11000 (Previous Year 11000) Equity Shares of ₹ 2 each fully paid		
	.--- Bank of Baroda (formerly Dena Bank)	0.02	0.02
	285 (Previous Year 285) Equity Shares of ₹ 2 each		
	.---ICICI Bank Limited	2.88	1.60
	4950 (Previous Year 4950) Equity Shares of ₹ 2 each fully paid		
	.---YES Bank Limited	0.02	0.03
	1270 (Previous Year 1270) Equity Shares of ₹ 2 each fully paid		
	(953 Equity shares are blocked for trading up to 13 March, 2023)		
	.---Jaypee Infratech Limited	0.01	0.00
	5000 (Previous Year 5000) Equity Shares of ₹ 10 each fully paid		
	----Technofab Engineering Limited	0.73	0.47
	104228 (Previous Year 104228) Equity Shares of ₹ 10 each fully paid		
	Total Equity Investments (FVOCI)	4.68	2.80
	**** Investment in Mutual Funds (Unquoted)		
	.---UTI-Opportunities Fund-Growth	0.98	0.55
	11770.711 (Previous Year 11770.711) Units of ₹ 10 each		
	---L192D SBI PSU Fund-Regular Plan-Dividend	2.25	1.62
	212944.872 (Previous Year 212944.872) Units of ₹ 10 each		
	---INF955L01I19 Baroda Equity Savings Fund-Regular Growth	1.17	1.00
	99990 (Previous Year 99990) Units of ₹ 10 each		
	Total investments in Mutual Funds (FVOCI)	4.40	3.17
	Aggregate value of quoted investments	28.62	28.62
	Aggregate Market value of quoted investments	4.68	2.80
	Aggregate value of unquoted investments	3.30	3.30
	Aggregate amount of impairment in value of investments ₹ 2,351 (Previous year ₹ 2,351)	0.00	0.00

8. Loans:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Loans Secured, considered good	-	-
Loans Unsecured, considered good		
Security Deposits to Related Parties	1.22	0.15
Security Deposits to Others	192.75	121.07
Loans to Workers & Staff	2.25	2.96
Loans having Significant increase in Credit Risk	-	-
Loans Credit Impaired	-	-
Total	196.22	124.18

For Related Parties disclosures refer note no. 48.

9. Other Financial Assets:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed Deposits with banks having more than 12 month Maturity	3.10	7.87
Unpaid Dividend Bank Account *	1.39	1.42
Total	4.49	9.29

* Balance in unpaid dividend bank account can only be used towards settlement of dividend unclaimed by shareholders of the company or by transfer to Investor Education Protection Fund.

9.1	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
	Fixed Deposits under lien/custody with Banks /Others	1.91	7.87

10. Other Non-Current Assets:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Capital Advances (unsecured, considered good)	28.14	39.93
Others :		
--- Prepaid Expenses	0.92	1.55
Total	29.06	41.48

11. Inventories:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Raw Materials Including In Transit	2,076.67	1,772.06
Work -in- Progress	1,776.97	1,766.00
Finished Goods Including in Transit	3,405.53	4,456.53
Traded Goods	23.97	20.70
Stores & Spares Including In Transit	89.54	86.45
Project Materials Including In Transit	191.16	389.50
Packing Materials	85.67	97.57
Scrap Materials	32.70	49.02
Total	7,682.21	8,637.83

11.1 Break-up for Goods-In-Transit:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
--- Finished Goods	529.96	1,202.73
--- Raw Materials	167.73	489.83
--- Stores & Spares	15.47	0.05
--- Project Materials	-	5.29
Total	713.16	1,697.90

11.2 Inventory held at Net Realizable Value:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
--- Finished goods	520.49	185.50

11.3 Inventories held by third parties amounting to ₹ 22.65 millions (31st March, 2020 ₹ 61.31 millions).

11.4 Refer Note no. 25.1 for Inventories hypothecated as security against bank borrowings.

11.5 For valuation of Inventory refer Note no 2.8.

12. Trade Receivables:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Trade Receivables		
Secured, Considered Good	-	-
Unsecured, Considered Good	13,673.25	13,790.19
Receivables having Significant Increase in Credit Risk *	41.73	64.92
Receivables Credit Impaired*	-	-
Total Trade Receivables (Gross)	13,714.98	13,855.11
Less: Expected Credit Loss (ECL)	200.96	160.94
Less: Impairment Allowance for Trade receivable - Significant Increase in Credit Risk *	18.31	18.31
Less: Impairment Allowance for Trade receivable - Credit Impaired *	-	-
Total Impairment Allowance	219.27	179.25
Total	13,495.71	13,675.86

12.1 No trade or other receivable are due from directors or officers of company either severally or jointly with other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

12.2 The carrying amount of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, Company has transferred the relevant receivables to factor in exchange for cash and is prevented from selling or pledging the receivables. However, Company has retained late payment and credit risk. Company therefore continues to recognize transferred assets in their entirety in its Balance Sheet. Amount repayable under the factoring arrangement is presented as secured borrowing.

Relevant carrying amounts are as follows: (₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Total Transferred Receivables	1,573.71	1,372.55
Associated Secured Borrowing (Refer Note No. 25)	1,573.71	1,372.55

12.3 Trade Receivables are usually non interest bearing and are on trade terms of 90 days.

12.4 * Includes Trade Receivable and impairment allowance thereon for Related Parties disclosures refer note no. 48.

12.5 For credit risk and movement in impairment allowances refer note no. 52.2.

13. Cash and Cash Equivalents: (₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Cash in Hand	2.37	2.87
Balances with Banks		
--- Current Accounts	406.81	86.48
--- Fixed Deposits with less than 3 month maturity	1,785.36	1,098.63
--- Fixed Deposits with Banks as Deposits Repayment Reserve Account*	7.08	6.66
Total	2,201.62	1,194.64

* Deposits Repayment Reserve Account is created as per requirement of Sec. 73 of Companies Act, 2013.

(₹ in Millions)

13.1	Particulars	As at 31st March, 2021	As at 31st March, 2020
	Fixed Deposits under lien/custody with Banks /Others	35.36	181.22

14. Bank Balances other than Cash and Cash Equivalents: (₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed Deposits with original maturity of more than 3 months but less than 12 months*	3.12	941.35
Unpaid Dividend Accounts	0.54	0.45
Fixed Deposits with Banks as Deposits Repayment Reserve Account**	7.09	7.09
Total	10.75	948.89

** Deposits Repayment Reserve Account is created as per requirement of Sec. 73 of Companies Act, 2013.

(₹ in Millions)

14.1

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
* Fixed Deposits under lien/custody with Banks / Others	3.12	940.75

15. Loans:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Unsecured, Considered Good		
Security Deposits to Related Parties	4.92	4.46
Security Deposits to Others	9.17	9.96
Loans to Related Parties	-	0.14
Loans to Workers & Staff	4.37	10.40
Total	18.46	24.96
Loan Receivables - Having Significant increase in credit risk		
Loans to Related Parties		
-Associate Company KEI Cables SA (PTY) Limited	10.50	9.74
- Less: Impairment in Loans Receivables	5.28	5.28
Total	5.22	4.46
Loan Receivables - Credit Impaired		
Total	23.68	29.42

*For Related Parties disclosures refer note no. 48.

16. Other Financial Assets:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Contract Assets (Refer Note 45.2)	214.26	866.53
	214.26	866.53

17. Income Tax Assets:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Income Tax Refundable (Net of provision for taxation)	44.37	20.36
	44.37	20.36

18. Other Current Assets:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Advances other than capital advances		
--- Advances to Related Parties	-	0.54
--- Advances to Suppliers	226.39	500.99
--- Advances/Amount Recoverable*	31.30	30.11
Others		
--- Interest Accrued	4.49	18.91
--- Prepaid Expenses	24.15	43.69
--- Earnest Money	34.08	48.25
--- Claims Recoverable from Government	462.80	841.93
Total	783.21	1,484.42

18.1 Break-up of Advance to Related Parties:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Recoverable from Joint Venture "Joint Venture of KEI Industries Ltd New Delhi & Brugg Kable AG Switzerland"	-	0.54
Total	-	0.54

19. Equity Share Capital:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Authorized		
110,000,000 (Previous Year 110,000,000) Equity Shares of ₹ 2/- each	220.00	220.00
300,000 (Previous Year 300,000) Preference Shares of ₹ 100/- each	30.00	30.00
Total	250.00	250.00
Issued, Subscribed & Paid-up		
89,855,438 (Previous Year 89,504,438) Equity shares of ₹ 2/- each fully paid	179.71	179.01
Total	179.71	179.01

19.1 Rights, preferences and restrictions attached to shares:

Equity Shares: The company has issued one class of equity shares having par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend 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. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

19.2 Reconciliation of Number of Equity Shares:

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	Nos.	₹ in Millions	Nos.	₹ in Millions
Balance as at the beginning of the year	8,95,04,438	179.01	7,89,25,438	157.85
Add: Issued during the year through ESOP*	3,51,000	0.70	5,79,000	1.16
Add: Issued during the year through QIP	-	-	1,00,00,000	20.00
Balance as at the end of the year	8,98,55,438	179.71	8,95,04,438	179.01

* Equity Shares of face value ₹ 2/- each issued to eligible employees of the Company under KEI Employees Stock Option Scheme-2015.

19.3 List of Equity Shareholders holding more than 5% of the aggregate Equity Shares:

Name of shareholder	As at 31 st March, 2021		As at 31 st March, 2020	
	Nos.	% age	Nos.	% age
Mr. Anil Gupta	1,36,80,776	15.23%	1,36,80,776	15.29%
M/s Projection Financial and Management Consultants Private Limited	79,00,000	8.79%	79,00,000	8.83%
M/s Anil Gupta HUF beneficiary Mr. Anil Gupta	46,50,375	5.18%	46,50,375	5.20%
Franklin Build India Fund	46,75,000	5.20%	47,56,179	5.31%

19.4 During the year 2016-17, 5,60,000 equity shares of ₹ 2 each fully paid were issued under KEI Stock Option Scheme, 2015.

During the year 2017-18, 5,64,000 equity shares of ₹ 2 each fully paid were issued under KEI Stock Option Scheme, 2015.

During the year 2018-19, 5,64,000 equity shares of ₹ 2 each fully paid were issued under KEI Stock Option Scheme, 2015.

During the year 2019-20, 5,79,000 equity shares of ₹ 2 each fully paid were issued under KEI Stock Option Scheme, 2015.

During the year 2019-20, 100,00,000 equity shares of ₹ 2 each fully paid were issued to Qualified Institutional Buyers under QIP.

During the year 2020-21, 3,51,000 equity shares of ₹ 2 each fully paid were issued under KEI Stock Option Scheme, 2015.

19.5 Equity Shares reserved and issued under KEI Employees Stock Option Scheme, 2015:

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
	Nos. of shares	Nos. of shares
Options available under ESOS, 2015		
-- Options available at the beginning of the year	13,95,000	5,79,000
-- Options granted during the year	-	13,95,000
-- Equity Shares issued during the year		
Under KEI ESOS 2015 option Plan: equity shares of ₹ 2 each.	3,51,000	5,79,000
-- Options lapsed during the year	3,22,000	-
-- Options available at the close of the year	722,000	13,95,000

For terms and other details of KEI ESOS, 2015 refer note no 46.

20. Other Equity:

Refer Statement of Changes in Equity for detailed movement in other Equity balances:

A. Summary of Other Equity balance:

(₹ in Millions)

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
Capital Reserve		28.00		28.00
Securities Premium				
Opening balance	5,814.81		901.81	
Add: On allotment of Equity Shares	159.00		5,043.73	
Less: Share Issue Expenses (net of GST credit)	-	5,973.81	130.73	5,814.81
General Reserve		21.09		21.09
Retained Earnings				
Opening balance	8,954.56		6,679.28	
Add: Profit for the year	2,733.07		2,562.96	
Add: Transfer from Other Comprehensive Income	(30.27)		-	
Add: Re-Measurement of the Net defined benefit Plans	8.89		-	
Less: Impact on account of Adoption of Ind AS 116 [#]	-		11.65	
Less: Interim equity dividend*	179.71		134.26	
Less: Final equity dividend	-		94.71	
Less: Tax on Interim equity dividend*	-		27.59	
Less: Tax on Final equity dividend	-	11,486.54	19.47	8,954.56
Employee Stock Options Outstanding		115.54		129.00
Foreign Currency Translation Reserve (FCTR)				
Opening balance	(0.94)		(2.00)	
Add: during the year	(0.41)	(1.35)	1.06	(0.94)
Other Comprehensive Income				
Opening Balance	(53.41)		(43.06)	
Less: Transfer to Retained Earnings	(30.27)		-	
Add: Addition during the year	0.35	(22.79)	(10.35)	(53.41)
Total		17,600.84		14,893.11

* The Parent Company declared and paid an interim dividend of ₹ 2.00/- per equity share (100%) on February 26, 2021, resulting in cash out flow of ₹ 179.71 Millions, for the Financial year 2020-21. The Board has proposed that this may be treated as final dividend .

The Parent Company declared and paid an interim dividend of ₹1.50/- per equity share (75%) on March 9, 2020, resulting in cash out flow of ₹ 161.85 Millions (including dividend distribution tax), for the Financial year 2019-20.

The Parent Company adopted IND AS 116 from 01.04.2019.

B. Nature and purpose of Reserves

(a) **Capital Reserve:** Subscribed capital forfeited due to non- receipt of call money treated as Capital reserve.

(b) **Securities Premium :** Amount received in excess of face value of the equity shares is recognized in Securities Premium. In case of equity-settled share based payment transactions difference between fair value on grant date and nominal value of share is accounted as Securities Premium. The QIP issue expenses have been adjusted with securities premium account, net of taxes, if any.

- (c) **Employee Stock Options Outstanding:** Fair value of equity-settled share based payment transactions with employees is recognized in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding .
- (d) **General Reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to General Reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to General Reserve is not required under the Companies Act, 2013.
- (e) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders.

21. Borrowings:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(i) Secured		
Term Loan		
-- Term Loans from Banks	50.00	156.24
-- External Commercial Borrowings from a Bank	146.51	301.72
Total Term Loan	196.51	457.96
Finance Lease Obligations on Hire Purchase of Vehicles	0.55	9.57
(ii) Unsecured		
Deposits		
-- Public Deposits	37.98	23.80
-- Deposits from Related Parties	78.50	35.65
Total	313.54	526.98

21.1 Nature of Security and Repayment Terms of Term Loan:

(₹ in Millions)

Sl. No.	Nature of Facility	Currency	Tenure end date	Nominal Interest Rate	As at 31 st March, 2021	As at 31 st March, 2020
1	Secured Term Loan from Bank	USD	Sep, 2020	Fixed all inclusive cost of maximum of 4.85% p.a	-	106.55
2	External Commercial Borrowing from a Bank	USD	Dec, 2022	Floating 3 month LIBOR + 190 BPS	292.31	421.56
3	Secured Term Loan from Bank	INR	Aug, 2020	Floating 6 Month MCLR + 0.25% p.a	-	80.96
4	Secured Term Loan from Bank	INR	Sep, 2022	Floating 6 Month MCLR + 0.00% p.a	100.00	250.00
5	Secured Term Loan from Bank	INR	July, 2020	Floating 1 year MCLR + 0.25% p.a	-	99.51
Total					392.31	958.58
Less: Current Maturities of Long term Borrowings (Note no. 27)					195.80	500.62
Non-Current Borrowings (Note no. 21)					196.51	457.96

- 21.2** Term Loans from Banks are Secured by a first Pari passu charge over Land & Building, Plant & Machinery and other movable Property, Plant and Equipment located at the Company's Plants at SP-919 RIICO Industrial Area Phase- III Bhiwadi; SP 2/874 RIICO Industrial Area Pathredi; 99/2/7 Madhuban Industrial Estate village Rakholi Silvassa and Survey no.1/1/2/5, Village Chinchpada, Silvassa. 2nd charge on Plot No. A 280-284, Chopanki in favour of SBI Gift City Gandhinagar Branch for ECB Loan. Further these loans are secured by personal guarantee of Shri Anil Gupta Chairman-cum-Managing Director of the Company.
- 21.3** Finance Lease Obligations are taken from scheduled banks and are secured against hypothecation of vehicles. The Rate of interest on such loans varies between 8.50% to 9.51%.
- 21.4** Unsecured Deposits are repayable within 3 years from the date of acceptance. The Group Company has not defaulted in repayment of deposits.
- 21.5** For Related Parties disclosures refer note no. 48.
- 21.6** The Group Company has not defaulted on any loans payable during the year and has satisfied all debt covenants prescribed by lenders.

22. Provisions:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Employee benefits		
---Provision for Compensated Absences	91.23	110.70
	91.23	110.70

For movement in provision refer note no. 29.1.

23. Deferred Tax Liability (Net):

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Deferred Tax Liability :		
Additional depreciation/amortization on PPE and Intangible Assets	461.94	449.10
Additional depreciation/amortization on PPE and Intangible Assets- Other Jurisdiction	0.60	0.32
Other timing differences	0.34	1.05
Total Deferred Tax Liabilities	462.88	450.47
Deferred Tax Asset :		
Liabilities / provisions that are deducted for tax purposes when paid	23.87	26.37
Provision for doubtful debts/impairment allowance	57.09	49.59
Defined benefit obligations	7.19	10.74
Long term capital loss on shares	-	2.76
Right of use assets	68.34	42.90
Other timing differences	11.89	9.78
Total Deferred Tax Assets	168.38	142.14
Net Deferred Tax Liabilities	294.50	308.33

23.1 Movement in Deferred Tax Assets:

(₹ in Millions)

Particulars	Provision for doubtful debts/ loans/ advances that are deducted for tax purposes when written off	Defined benefit obligations	Liabilities / provisions that are deducted for tax purposes when paid	Other items- Other Jurisdiction *	Other items	Total deferred tax assets
As at 1st April, 2019	58.41	15.85	66.81	-	13.70	154.77
-- Profit and Loss	(8.82)	-	(40.44)	0.00	40.77	(8.49)
-- Other Comprehensive Income	-	(5.11)	-	-	0.97	(4.14)
As at 31st March, 2020	49.59	10.74	26.37	0.00	55.44	142.14
-- Profit and Loss	7.50	-	(2.50)	(0.00)	27.09	32.09
-- Other Comprehensive Income	-	(3.55)	-	-	(2.30)	(5.85)
As at 31st March, 2021	57.09	7.19	23.87	-	80.23	168.38

*Other Items- other Jurisdiction Nil (Previous Year ₹ 3000/-).

23.2 Movement in Deferred Tax Liabilities:

(₹ in Millions)

Particulars	Additional depreciation/ amortization on PPE and Intangible Assets	Additional depreciation/ amortization on PPE and Intangible Assets- Other Jurisdiction	Other items	Total deferred tax liabilities
As at 1st April, 2019	587.73	-	7.59	595.32
-- Profit and Loss	(138.63)	0.32	(6.54)	(144.85)
-- Other Comprehensive Income	-	-	-	-
As at 31st March, 2020	449.10	0.32	1.05	450.47
-- Profit and Loss	12.84	0.28	(0.71)	12.41
-- Other Comprehensive Income	-	-	-	-
As at 31st March, 2021	461.94	0.60	0.34	462.88

24. Other Non Current Liabilities:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Lease Liability	238.19	146.24
Total	238.19	146.24

25. Borrowings:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(i) Secured:		
Loan repayable on demand		
--- Working Capital Loans from Banks	670.85	1,004.64
--- Factoring Arrangements	1,573.71	1,372.55
(ii) Unsecured:		
Loans from Related Parties		
--- Loan from Related Parties *	287.50	188.00
Deposits		
---Deposits from Related Parties*	-	24.35
---Inter Corporate Deposits from others	4.00	4.00
---Public Deposits from others	-	30.40
Total	2,536.06	2,623.94

*For Related Parties disclosures refer note no. 48.

25.1 Working Capital facilities from banks are secured by 1st Pari passu charge by way of hypothecation on the entire current assets including raw material, stock in process, finished goods, consumable, stores & spares and receivables of the company, 1st Pari passu charge on present and future fixed assets at SP 920 and 922, RIICO Industrial Area, Phase III, Bhiwadi, Distt. Alwar (Rajasthan); Plot No. A 280-284, Chopanki; and movable Property, Plant and Equipment at D-90, Okhla Industrial Area, Phase-I, New Delhi; 2nd Pari- passu charge by equitable mortgage of property of the Land and Building at 99/2/7, Madhuban Industrial Estate, Village Rakholi, Silvassa, (D & N H); SP 2/874, RIICO Industrial Area, Pathredi; SP 919, RIICO Industrial Area, Phase III, Bhiwadi, Distt. Alwar, (Rajasthan); and Industrial Plot/ Survey No.- 1/1/2/5, Situated at Village Chinchpada, Silvassa both present and future. Further these loans are secured by personal guarantee of Shri. Anil Gupta, Chairman-cum- Managing Director of the Group Company.

25.2 Working Capital Loans from Banks are generally renewable within twelve months from the date of sanction or immediately previous renewal, unless otherwise stated, as per the terms and conditions of the sanction.

25.3 For Term and Conditions of Loans and Deposits from Related parties refer note No. 48.

25.4 The Group Company has not defaulted on any loans/deposits payable during the year and has satisfied all debt covenants prescribed by lenders.

25.5 The Group Company has arranged Channel Finance facility for its customers from various banks against which a sum of ₹ 1,926.43 millions (Previous Year ₹ 1,584.65 Millions) has been utilized as on the date of Balance Sheet. The Company is liable to pay in case of default by its customers along with interest thereon. The amount of such defaults as on 31st March, 2021 is ₹ 15.90 Millions (Previous Year ₹ 3.92 Millions).

26. Trade Payables:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Outstanding dues of micro enterprises and small enterprises (Refer Note 26.1 below)	1,021.22	834.80
Outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	3,234.79	7,696.85
Others*	3,159.01	3,158.03
Total	6,393.80	10,854.88
Total	7,415.02	11,689.68

* The amount are Unsecured and non-interest bearing.

26.1 Information as required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the company.

Amount remaining unpaid to supplier covered under MSMED Act at the end of the year.

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Principal	1,021.22	834.80
Interest	-	-
Total	1,021.22	834.80
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.	-	-
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.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
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.	-	-
The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period.	3.53	-

27. Other Financial Liabilities:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Current Maturities of Long Term Borrowings		
---From Banks	50.00	274.23
---Foreign Currency Loans from Banks	-	106.55
-- External Commercial Borrowings	145.80	119.84
Total Current Maturities of Long Term Borrowing (Refer Note 21.1)	195.80	500.62
Current Maturities of Finance Lease Obligations on Hire Purchase of Vehicles	9.02	14.95
Interest on Borrowings		
---Accrued but not due	0.15	0.28
---Accrued and due	1.00	3.63
Security Deposits Received	18.05	14.70
Employee Benefits Payable	216.40	185.62
Unpaid Dividend (Refer Note 27.1)	1.93	1.87
Total	442.35	721.67

27.1 Amount due & outstanding to be credited to Investor Education and Protection Fund ₹ Nil (Previous Year ₹ Nil).

28. Other Current Liabilities:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Contract Liabilities (Refer Note 45.2)	658.76	1,178.35
Lease Liability	33.34	24.20
Sundry Creditors -Capital Goods	30.27	95.98
Statutory Dues Payable	174.86	91.04
Total	897.23	1,389.57

29. Provisions:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Employee Benefits		
---Provision for Compensated Absences	11.81	16.37
---Provision for Gratuity	13.98	38.89
Provision for warranty	24.74	26.18
Total	50.53	81.44

29.1. Movement of Provisions (Current and Non Current):

(₹ in Millions)

Particulars	Compensated Absences	Gratuity	Warranty Provision
As at 1st April, 2020	127.07	38.89	26.18
Credited during the year	(0.70)	13.99	20.67
Paid during the year	23.33	38.90	-
Unused amount reversal	-	-	22.11
As at 31st March, 2021	103.04	13.98	24.74

Provision for Compensated Absences (Unfunded):

Compensated Absences is a terminal employee benefit, which covers Company's liability towards earned leaves of employees of the Company.

Provision for Gratuity (Funded):

Company provides gratuity for employees in India as per the Payment of Gratuity Act 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. Gratuity plan is a funded plan and company makes contributions to fund maintained by approved trust and administrated through separate irrevocable trust setup by Company.

Provision for Warranty:

Provision for warranty relates to estimated outflow in respect of warranty for products sold/ contracts executed by Company. Due to nature of such costs It is not possible to estimate timing/ uncertainties relating to the outflows of economic benefits.

29.2 Disclosures under Ind AS 19 "Employee Benefits":

Defined Contribution Plan:

Amount recognized as an expense in defined contribution plans:

(₹ in Millions)

Particulars	Expense recognised during	
	FY 2020-21	FY 2019-20
Contribution to employee Provident Fund & Employees Pension Scheme.	47.51	55.66

DEFINED BENEFIT PLAN- AS PER ACTUARIAL VALUATION

The Company operates a defined benefit plan, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for gratuity (for employees in India).

The amounts recognized in the Balance Sheet is as under:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Present value of obligations as at the end of year	220.32	253.19
Fair value of plan assets as at the end of the year	206.34	214.30
Funded status	(13.98)	(38.89)
Net Assets/(Liability) recognized in balance sheet	(13.98)	(38.89)

Expense recognized in Statement of Profit and Loss is as under: (₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Current Service Cost	23.81	28.61
Interest Cost on Defined Benefit Obligation	15.00	16.49
Interest Income on Plan Assets	12.39	8.94
Net Interest Cost	2.61	7.55
Expenses recognized in Statement of Profit and Loss	26.42	36.16

Expenses recognized in Other Comprehensive Income is as under: (₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Actuarial (Gains)/Loss on Defined Benefit Obligation	(13.49)	(3.64)
Actuarial (Gains)/Loss on Asset	1.06	(0.90)
Actuarial (Gain)/Loss recognized in Other Comprehensive Income	(12.43)	(4.54)

Movements in the present value of the Defined Benefit Obligations: (₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Present Value of Obligations as at beginning of year	253.18	217.01
Acquisition Adjustment	-	-
Interest Cost	15.00	16.49
Current Service Cost	23.81	28.61
Actuarial (Gains)/Losses arising from:		
Changes in Demographic Assumptions	-	(0.04)
Changes in Financial Assumptions	8.33	(2.42)
Experience Adjustments	(21.81)	(1.18)
Past Service Cost	-	-
Benefits Paid	(58.19)	(5.29)
Present value of obligations as at end of year	220.32	253.18

Movements in fair value of Plan Assets: (₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fair Value of plan assets as on beginning of year	214.29	117.65
Interest Income	12.40	8.94
Re-measurement Gain/(Loss) – return on plan assets excluding amounts included in net interest expense)	(1.06)	0.90
Contributions from the employer	38.90	92.09
Benefits paid	(58.19)	(5.29)
Fair value of Plan Assets at the end of year	206.34	214.29

Actuarial Assumptions are as under:

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Discount Rate	6.35%	6.70%
Expected rate of Future Salary Increase	6.00%	6.00%
Retirement Age	58 yrs	58 yrs
Mortality rates	As per Indian Assured Lives Mortality (2012-14) Table	As per Indian Assured Lives Mortality (2012-14) Table
Age	Withdrawal Rate	
Up to 30 Years	3.00%	3.00%
From 31 to 44 Years	2.00%	2.00%
Above 44 Years	1.00%	1.00%

Risks Associated with Plan Provisions

Valuations are based on certain assumptions which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

Salary Increases	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If the plan liability is funded and return on plan assets is below this rate it will create a plan deficit.
Discount Rate Risk	A decrease in the bond interest rate (discount rate) will increase the plan liability.
Mortality & Disability	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2006-08) ultimate table. A change in mortality rate will have a bearing on the plan's liability.

Maturity Profile of Defined Benefit Obligation is as under:

Duration of defined benefit obligation

(₹ in Millions)

Duration (years)	As at 31 st March, 2021	As at 31 st March, 2020
1	13.03	58.67
2	10.82	13.17
3	8.03	10.13
4	9.09	7.31
5	9.26	9.08
Above 5	170.09	154.83

Summary of Membership Data:

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Number of Employees	1,744	2,006
Total Monthly Salary for Gratuity (₹ in Millions)	49.48	58.17
Average Past Service (Years)	7.05 yrs	5.95 yrs
Average Age (Years)	37.85 yrs	36.13 yrs
Average Remaining Working Life (Years)	20.15 yrs	21.87 yrs

Sensitivity analysis is as under:
Impact of the Change in Discount Rate:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Impact due to Increase of 1%	197.74	232.28
Impact due to Decrease of 1%	246.99	277.95

Impact of the Change in Salary Increase:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Impact due to Increase of 1%	246.69	277.88
Impact due to Decrease of 1%	197.59	231.96

30. Current Tax Liabilities (Net):

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Provision for Current Tax (Net of advance Tax)	80.60	19.13
Total	80.60	19.13

31. Revenue From Operations:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Revenue from Contract with Customers				
Sale of Products				
---Manufactured Goods	32,258.04		35,020.41	
---Traded Goods	153.32		224.60	
Sale of Services				
---Income from EPC Projects	8,834.41		13,360.40	
Other Revenue				
--- Project Material	78.38		-	
---Scrap Material	464.71	41,788.86	242.26	48,847.67
Other operating Revenues				
--- Export Benefits	25.65		23.99	
--- Unadjusted Credit balances written back	0.86	26.51	6.34	30.33
Total		41,815.37		48,878.00

31.1 For Disclosures related to IND AS 115 "Revenue from Contract with Customers" refer note no. 45.

32. Other Income:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Dividend from long term investments		0.08		0.02
Interest Income from Bank Deposits/Others		41.58		132.48
Interest Income from financial assets carried at amortized cost		1.59		2.18
Miscellaneous Income		20.42		13.59
Insurance Claims		23.54		18.27
Exchange Fluctuation (Net)		113.39		-
Total		200.60		166.54

33. Cost of Materials Consumed:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Raw Materials Consumed				
Opening Stock	1,282.23		1,089.15	
Add : Purchases	26,702.30		32,009.99	
Less : Closing Stock	1,908.94		1,282.23	
Less : Captive Consumption	8.64	26,066.95	18.93	31,797.98
EPC Project Materials				
Opening Stock	384.21		543.31	
Add : Purchases	1,675.82		3,074.52	
Less: Closing Stock	191.16	1,868.87	384.21	3,233.62
Total		27,935.82		35,031.60

34. Purchases of Traded Goods:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Miscellaneous		107.88		117.10
		107.88		117.10

35. Changes in Inventory of Finished Goods, Traded Goods and Work-in-progress:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Opening Stock				
--- Finished Goods	4,456.53		2,942.36	
--- Traded Goods	20.70		42.36	
--- Work in Progress	1,766.00		1,951.67	
--- Scrap Material	49.02	6,292.25	29.14	4,965.53
Less : Closing Stock				
--- Finished Goods	3,405.53		4,456.53	
--- Traded Goods	23.97		20.70	
--- Work in Progress	1,776.97		1,766.00	
--- Scrap Material	32.70	5,239.17	49.02	6,292.25
(Increase)/decrease in inventories of finished goods, traded goods and work-in-progress		1,053.08		(1,326.72)

36. Employee Benefits Expenses:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Salaries, Wages & Other Benefits	1,670.69		1,992.61	
Contribution to Provident & Other Funds	73.95		91.59	
Expense on employee stock option scheme	67.27		136.12	
Staff Welfare Expenses	37.52	1,849.43	55.58	2,275.90
Total		1,849.43		2,275.90

36.1 Compensation Paid To Key Managerial Personnel included in above:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Salaries, Wages & Other Benefits		115.23		194.89
Contribution to Provident & Other Funds		0.09		0.09
Director's Meeting Fee		5.93		7.28
Expense on employee stock option scheme		41.68		44.26
Total		162.93		246.52

37. Finance Costs:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Interest on borrowings		326.90		950.75
Other Financial Charges		213.32		324.95
Interest and Financial Charges on Lease Liabilities		18.64		15.81
Interest on Income Tax (net)		14.23		-
Total		573.09		1,291.51

38. Depreciation and Amortisation Expenses:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Depreciation on Property, Plant and Equipment		515.71		505.64
Depreciation on Right of use Assets		51.02		49.46
Amortisation on Intangible Assets		11.41		11.79
Total		578.14		566.89

39. Sub Contractor Expenses for EPC Projects:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Sub Contractor Expenses		1,493.62		1,606.16
Total		1,493.62		1,606.16

40. Other Expenses:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Consumption of Store, Spares and Consumables		131.03		132.03
Packing Expenses		905.88		1,125.97
Job Work Charges		721.49		863.61
Power, Fuel & Lighting		514.31		631.95
Repairs & Maintenance				
--- Plant & Machinery	139.20		207.43	
--- Building	14.25		11.23	
--- Others	22.73	176.18	32.67	251.33
Freight, Handling and Octroi		962.95		1,147.71
Rebate, Discount, Commission on Sales		103.94		193.76
Bad Debts Written off		32.49		45.35
Impairment Allowance on Trade Receivables (including ECL)		40.02		12.10
Impairment in Loans Receivables		-		5.28
Rates & Taxes		157.74		120.92
Rent		66.69		67.08
Insurance		118.05		97.34
Travelling & Conveyance		113.57		239.36
Advertisement & Publicity		129.77		259.75
Auditor's Remuneration (Refer Note 40.1)		5.52		5.49
Loss on sales of Property, Plant and Equipement (net)		1.01		0.97
Property, Plant and Equipement Written off		0.27		21.80
Communication Expenses		25.23		32.33
Donations		2.16		2.73
Professional & Consultancy Charges		114.51		245.10
Miscellaneous Expenses		380.40		517.60
Exchange Fluctuation (Net)		-		125.71
Corporate Social Responsibility Expenditure (Refer Note 40.2)		67.39		58.15
Total		4,770.60		6,203.42

40.1 Auditor's Remuneration (excluding applicable Tax): (₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Audit Fee		3.74		3.81
Limited Review Fee		0.60		0.60
Tax Audit		0.60		0.60
For Other Services		0.58		0.48
Total		5.52		5.49
Certification fee for QIP (included in Share Issue Expenses)		-		1.25
Total		5.52		6.74

40.2 Corporate Social Responsibility Expenses during the year on: (₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
A "Gross amount required to be spent by the Parent Company during the year as per provisions of section 135 of the Companies Act, 2013 i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013."		54.33		41.32
B Gross amount spent by the Parent Company during the year				
i Construction/Acquisition of assets		-		-
ii PM Cares Fund - Covid 19 Relief		-		20.00
iii On purpose other than (i) above		31.15		38.15
Total		31.15		58.15
C Shortfall/(Excess)		23.18		(16.83)

41. Income Tax Expense:

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below: (₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
(a) Income tax expense				
Accounting profit		3,654.31		3,278.68
Enacted tax rates in India		25.168%		25.168%
Computed expected tax expense		919.72		825.18
Tax effect due to non-taxable income for Indian tax purposes		(1.10)		(0.86)
Overseas taxes		1.10		0.85

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Tax reversals due to expenses allowed for Indian tax purpose		(313.87)		(279.12)
Tax Effect of non-deductible expenses		352.37		318.90
Tax Effect of Other allowed deductions for Indian tax purpose		-		(1.01)
Tax Effect of Earlier year		(17.32)		(11.94)
Total Current Income tax expense		940.90		852.00
Deferred tax				
(Decrease) / Increase in deferred tax liabilities		12.41		(144.85)
Decrease / (Increase) in deferred tax assets		(32.09)		8.49
Total deferred tax expenses/(credit)		(19.68)		(136.36)
Total Income tax expense		921.22		715.64

The applicable Indian corporate statutory tax rate for the year ended 31st March, 2021 and 31st March, 2020 is 25.168%.

Overseas Tax expense is due to income taxes payable overseas, principally in Nepal.

42. Other Comprehensive Income:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
Items that will not be reclassified to profit and loss :				
Re-measurement gains (losses) on defined benefit plans		12.43		4.54
Net (loss)/gain on FVTOCI equity securities		3.12		(10.68)
Income tax effect on above		(6.31)		(4.21)
Items that will be reclassified to profit and loss:				
Exchange differences on translation of foreign operations		(0.92)		1.06
Income tax effect on above		0.46		0.07
		8.78		(9.22)

43. Earnings Per Equity Share ('EPS') pursuant to Ind AS-33 has been calculated as follows:

(A) Earnings Per Equity Share:

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Profit after Taxation (₹ in Millions)	2,734.09	2,562.91
Basic Earnings Per Share (₹)	30.47	31.65
Diluted Earnings Per Share (₹)	30.18	31.19
Par Value Per Equity Share (₹)	2.00	2.00

(B) Weighted Average Number of Equity Shares Used as Denominator:

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Number of Equity shares at the beginning of the year	8,95,04,438	7,89,25,438
Add: Weighted average number of equity shares issued during the year	2,21,178	20,44,462
Weighted average number of Equity shares for Basic EPS	8,97,25,616	8,09,69,900
Add: Adjustment for Employee Stock Options outstanding	8,51,822	11,93,582
Weighted average number of equity shares for Diluted EPS	9,05,77,438	8,21,63,482

44. Contingent Liabilities & Commitments:

(₹ in Millions)

	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
44.1	Claims against Company not acknowledged as debt		
	a) Sales Tax / Entry Tax demands under appeal	10.60	10.42
	b) Income tax Matters:		
	-- Demand due to Additions / disallowances during Assessments, which are under Appeal	19.08	21.05
	c) Excise / Service tax demands under appeal/ pending appeal	789.38	82.32
	d) Misc. claims against Company in Labour Court	1.07	1.07
44.2	Guarantees against Performance/Security Deposits/EMD	9,842.46	11,673.40
44.3	Other money for which Company is contingent liable		
	a) Unutilized Letter of Credits	506.82	989.87
	b) Outstanding LC Discounted	600.83	517.33
	In respect of the items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments/decisions pending at various forums /authority. The Company doesn't expect the outcome of matters stated above to have a material adverse effect on the Company's financial conditions, result of operations or cash flows.		
44.4	Commitments:		
	Estimated amount of contracts remaining to be executed on Capital Account	156.49	159.11

45. Disclosures as required under Ind-AS 115 "Revenue from contracts with customers" :

45.1 Disaggregation of Revenue:

Year Ended 31st March, 2021

(₹ in Millions)

Product type	Cables	Stainless Steel Wire	EPC Projects	Inter Segment Elimination	Total
--- Manufactured Goods	30,856.33	1,401.71	761.33	(761.33)	32,258.04
--- Traded Goods	153.32	-	-	-	153.32
--- Income From EPC Projects	-	-	8,834.41	-	8,834.41
--- Sale of Project Material	-	-	78.38	-	78.38
--- Job work	-	-	-	-	-
--- Scrap Material	458.71	6.00	-	-	464.71
Total	31,468.36	1,407.71	9,674.12	(761.33)	41,788.86

(₹ in Millions)

Timing of transfer of goods and services	Cables	Stainless Steel Wire	EPC Projects	Inter Segment Elimination	Total
--- Point in time	31,468.36	1,407.71	78.38	(761.33)	32,193.12
--- Over the time	-	-	9,595.74	-	9,595.74
Total	31,468.36	1,407.71	9,674.12	(761.33)	41,788.86

(₹ in Millions)

Geographical Market	Cables	Stainless Steel Wire	EPC Projects	Inter Segment Elimination	Total
--- India	26,585.32	854.69	8,871.10	(605.01)	35,706.10
--- Others	4,883.04	553.02	803.02	(156.32)	6,082.76
Total	31,468.36	1,407.71	9,674.12	(761.33)	41,788.86

Year Ended 31st March, 2020

(₹ in Millions)

Product type	Cables	Stainless Steel Wire	EPC Projects	Inter Segment Elimination	Total
--- Manufactured Goods	33,660.37	1,360.04	462.88	(462.88)	35,020.41
--- Traded Goods	125.64	-	98.96	-	224.60
--- Income From EPC Projects	-	-	13,360.40	-	13,360.40
--- Job work	-	-	-	-	-
--- Scrap Material	236.66	5.60	-	-	242.26
Total	34,022.67	1,365.64	13,922.24	(462.88)	48,847.67

(₹ in Millions)

Timing of transfer of goods and services	Cables	Stainless Steel Wire	EPC Projects	Inter Segment Elimination	Total
--- Point in time	34,022.67	1,365.64	98.96	(462.88)	35,024.39
--- Over the time	-	-	13,823.28		13,823.28
Total	34,022.67	1,365.64	13,922.24	(462.88)	48,847.67

(₹ in Millions)

Geographical Market	Cables	Stainless Steel Wire	EPC Projects	Inter Segment Elimination	Total
--- India	26,061.86	871.14	13,017.83	(93.75)	39,857.08
--- Others	7,960.81	494.50	904.41	(369.13)	8,990.59
Total	34,022.67	1,365.64	13,922.24	(462.88)	48,847.67

45.2 Contract Balances:

(₹ in Millions)

Particulars	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
	As at 31 st March, 2021	As at 31 st March, 2021	As at 31 st March, 2020	As at 31 st March, 2020
Current :				
---Advance received from Customers	-	225.32	-	866.09
---Incentive Payable to Customers	-	312.10	-	206.76
---Income received in advance	-	121.34	-	105.50
---Unbilled Revenue	214.26	-	866.53	-
Total	214.26	658.76	866.53	1,178.35

45.3 Trade Receivables from Contract with customers are separately shown in note no. 12.

45.4 Trade Receivables includes Retention by Customers ₹ 3,078.95 Millions (previous year ₹ 2,890.76 Millions).

45.5 Remaining performance obligations to be executed over a period of more than one year:

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
--- Manufactured Goods*	-	-
--- EPC Projects*	12,247.49	18,479.31
Total	12,247.49	18,479.31

* Based on the estimates of the Management.

45.6 Reconciliation of revenue recognized with Contract Price

(₹ in Millions)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Gross revenue recognized during the year	42,470.09	49,357.60
Add: Incentives paid/payable to Customers	(330.23)	(265.25)
Add: Discount paid/payable to Customers	(312.80)	(254.04)
Add: Other Variable Consideration	(38.20)	9.36
Net revenue recognized during the year	41,788.86	48,847.67

46. Employee Stock Options:

- a) The Company had approved "KEI Employees Stock Option Scheme" (KEI ESOS 2015 or Scheme) for granting Employees Stock Options in the form of Equity Shares to eligible employees and the same was approved by the members of the Company on September 16, 2015. The plan is administered under the supervision of the Nomination and Remuneration Committee of the Board of Directors of the Company ("Committee") in compliance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and other applicable provisions for the time being in force. The Nomination and Remuneration Committee had granted 2,252,000 share Options (par value ₹ 2/- each share) on September 23, 2015 and further 15,000 share Options (par value ₹ 2/- each share) were granted on September 25, 2018 which were fully exercised. In Financial Year 2019-20 the Committee further granted 13,95,000 share options (par value ₹ 2/- each share) which will vest over a period of three years from the date of grant. Details of Scheme is given as below:

Vesting Particulars of Options granted on 05.08.2019 (Grant III)	Options vested	Weighted average exercise price (₹)	Option Expiry Date	Outstanding share options from the date of grant
1 st vesting - at the end of 1 st year from the date of grant	4,55,000	225.00	20/08/2020	13,65,000
2 nd vesting - at the end of 2 nd year from the date of grant	4,55,000	225.00	20/08/2021	9,10,000
3 rd vesting - at the end of 3 rd year from the date of grant	4,55,000	225.00	20/08/2022	4,55,000

Vesting Particulars of Options granted on 27.09.2019 (Grant IV)	Options vested	Weighted average exercise price (₹)	Option Expiry Date	Outstanding share options from the date of grant
1 st vesting - at the end of 1 st year from the date of grant	10,000	225.00	12/10/2020	30,000
2 nd vesting - at the end of 2 nd year from the date of grant	10,000	225.00	12/10/2021	20,000
3 rd vesting - at the end of 3 rd year from the date of grant	10,000	225.00	12/10/2022	10,000

- b) The above said options can be exercised any time within a period of 30 days from the date of vesting and will be settled by way of equity shares in accordance with the aforesaid scheme.

Movement of options granted under the Scheme are:

Particulars	KEI ESOS 2015	
	IV	III
Date of Grant	27/09/2019	05/08/2019
Options outstanding as at 1st April 2019	N.A.	N.A.
Options Granted during the year	30,000	13,65,000
Option forfeited during the year	N.A.	N.A.
Option vested	N.A.	N.A.
Option exercised	N.A.	N.A.
Option expired during the year	N.A.	N.A.
Options Exercisable at the end of the year	30,000	13,65,000
Options outstanding at 31.03.2020	30,000	13,65,000
Options Granted during the year	NIL	NIL
Option forfeited during the year	NIL	NIL
Option vested	10,000	6,63,000
Option exercised	NIL	3,51,000
Option expired during the year	10,000	3,12,000
Options Exercisable at the end of the year	20,000	7,02,000
Options outstanding at 31.03.2021	20,000	7,02,000

Refer Note no. 36 for expense recognized during the year on account of ESOP as per Ind AS 102 - Share Based Payments.

- c) The fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Particulars	KEI ESOS 2015			
	IV	III	IV	III
	2020-21		2019-20	
Method of Settlement	Equity Settlement			
Risk-free interest rate	5.91%	6.00%	5.82%	5.96%
Weighted average expected life of options	1.53	1.39	2.53	2.39
Historical Volatility	45.84%	46.57%	48.20%	45.86%
Dividend Yield	0.22%	0.22%	0.22%	0.22%
Exercise price at the date of Grant (₹)	225.00	225.00	225.00	225.00
Share price at the time of option grant (₹)	525.90	420.10	525.90	420.10

47. Disclosures as required under Ind-AS 116 " Leases":

47.1 Maturity analysis of lease liabilities:

(₹ in Millions)

Maturity analysis – contractual undiscounted cash flows	Class 1 – Buildings & Warehouses		Class 2 – Asset Taken on Finance Lease - Hire Purchase Vehicles	
	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Less than one year	54.84	38.24	9.41	16.44
One to five years	238.78	124.56	0.56	9.97
More than five years	63.04	57.38	NIL	NIL

47.2 Amounts recognised in Statement of profit and loss:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Interest on lease liabilities in Finance Cost	18.64	15.81
Lease payments not recognised as a liability in Other Expenses		
- Variable lease payments not included in the measurement of lease liabilities	-	-
- Expenses relating to short-term leases	7.42	1.73
- Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	59.55	61.12

47.3 Amounts recognised in the statement of cash flows:

(₹ in Millions)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Total cash outflow for leases	112.20	106.23

47.4 Future Lease Commitments:

The Total Future cash out flow for leases that had not yet commenced: ₹ Nil (Previous year ₹ Nil).

47.5 Refer note no. 21.3 for terms and conditions in respect of hire-purchase of vehicles on finance lease.

48. The Related party disclosures as per Ind AS-24 " Related Party Disclosures" :

(a) Name of Related Parties :

i) Jointly Controlled Entity

Joint Venture

Joint Venture of M/s KEI Industries Limited, New Delhi & Brugg Kabel AG Switzerland (Association of Persons)

Place of Business/Country of Incorporation	Ownership Interest	
	As at 31.03.2021	As at 31.03.2020
India	100% share in Profit/Loss	

ii) Associate

KEI Cables SA (PTY) Limited

Place of Business/Country of Incorporation	Ownership Interest	
	As at 31.03.2021	As at 31.03.2020
South Africa	49%	49%

iii)

Key Managerial Personnel (KMP):	Designation
Shri Anil Gupta	Chairman-cum-Managing Director
Shri Rajeev Gupta	Executive Director Finance & CFO
Shri Akshit Diviaj Gupta	Whole Time Director
Shri Kishore Kunal	GM Corporate & Company Secretary
Smt. Archana Gupta	Non-Executive Director
Shri Kishan Gopal Somani	Independent Director
Shri Pawan Bholusaria	Independent Director
Shri Sadhu Ram Bansal	Independent Director
Shri Vikram Bhartia	Independent Director
Shri Vijay Bhushan	Independent Director
Smt. Shalini Gupta	Independent Director
Shri Manoj Kakkar	Director in KEI Cables Australia PTY Limited, Subsidiary Company
Shri Michael Wicks	Director in KEI Cables Australia PTY Limited, Subsidiary Company

iv) Other related parties where KMP are interested and transactions have taken place:

Anil Gupta (HUF)
 Projection Financial & Management Consultants Private Limited
 Shubh Laxmi Motels & Inns Private Limited
 Soubhagya Agency Private Limited
 Dhan Versha Agency Private Limited
 KEI Cables Private Limited
 KEI International Limited

v) Relatives of KMP with whom transaction have taken place:

Smt. Vedika Gupta
 Shri Sunil Gupta
 Smt. Shashi Gupta
 Smt. Shweta Jha
 Smt. Vimla Devi

vi) Other related parties where relatives of KMP are interested and transactions have taken place:

Sunil Gupta (HUF)

vii) Post employee benefit plan for the benefitted employees:

KEI Industries Limited Employee Group Gratuity Fund

(b) Transactions with related parties:

(₹ in Millions)

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(i)	Sales		
	Associate		
	KEI Cables SA (PTY) Limited	19.79	60.66
		19.79	60.66
(ii)	Settlement of liabilities on behalf of related party		
	Joint Venture		
	Joint Venture of M/s KEI Industries Limited, New Delhi & Brugg Kabel AG Switzerland (Association of Persons)	-	0.09
		-	0.09
(iii)	Interest paid on Deposits/ Unsecured Loan		
	Key Managerial Personnel		
	Shri Anil Gupta	18.48	16.72
	Shri Akshit Diviaj Gupta	0.19	0.23
		18.67	16.95
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	2.93	2.51
	KEI International Limited	-	0.05
	KEI Cables Private Limited	-	0.15
		2.93	2.71
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Shri Sunil Gupta	1.30	1.16
	Smt. Shweta Jha	0.26	0.33
		1.56	1.49
	Other related parties where relatives of KMP are interested		
	Sunil Gupta (HUF)	0.29	0.36
		0.29	0.36
(iv)	Impairment in loan		
	Associate		
	KEI Cables SA (PTY) Limited	-	5.28
		-	5.28
(v)	Impairment in Investment		
	Associate		
	KEI Cables SA (PTY) Limited (₹ Nil Previous year ₹ 2349/)	-	0.00
		-	0.00

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(vi)	Impairment in Trade Receivable Associate		
	KEI Cables SA (PTY) Limited	-	18.31
		-	18.31
(vii)	Interest Income on loan given Associate		
	KEI Cables SA (PTY) Limited	0.08	0.20
		0.08	0.20
(viii)	Lease Rental Paid Key Managerial Personnel		
	Smt. Archana Gupta	0.96	0.96
	Shri Akshit Diviaj Gupta	0.02	-
		0.98	0.96
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	0.78	0.78
	Projection Financial & Management Consultants Private Limited	8.44	8.44
	Soubhagya Agency Private Limited	4.00	-
	Dhan Versha Agency Private Limited	3.60	3.60
		16.82	12.82
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Shri Sunil Gupta	18.00	18.00
		18.00	18.00
(ix)	Managerial Remuneration Key Managerial Personnel		
	Shri Anil Gupta	93.76	173.15
	Shri Rajeev Gupta	11.00	11.40
	Shri Akshit Diviaj Gupta	6.75	6.75
		111.51	191.30
(x)	Employee Benefits Expenses Key Managerial Personnel		
	Shri Kishore Kunal	3.80	3.68
		3.80	3.68
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Smt Vedika Gupta	2.58	2.15
		2.58	2.15

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(xi)	Expense on Share Based Payments to Key Managerial Personnel		
	Shri Rajeev Gupta	32.48	34.49
	Shri Kishore Kunal	9.20	9.77
		41.68	44.26
(xii)	Director Meeting Fees paid Key Managerial Personnel		
	Smt. Archana Gupta	0.83	1.05
	Shri Kishan Gopal Somani	0.75	0.98
	Shri Pawan Bholusaria	1.50	1.87
	Shri Sadhu Ram Bansal	0.53	0.60
	Shri Vikram Bhartia	1.13	1.35
	Shri Vijay Bhushan	0.82	0.98
	Smt. Shalini Gupta	0.37	0.45
		5.93	7.28
(xiii)	Obligation for Gratuity Benefit Key Managerial Personnel		
	Shri Anil Gupta	-	38.94
	Shri Rajeev Gupta	6.40	6.21
	Shri Akshit Diviaj Gupta	1.45	1.08
	Shri Kishore Kunal	1.11	0.97
		8.96	47.20
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Smt Vedika Gupta	0.08	0.04
		0.08	0.04
(xiv)	Obligation for Leave Encashment Benefit		
	Key Managerial Personnel		
	Shri Rajeev Gupta	1.53	1.58
	Shri Akshit Diviaj Gupta	0.81	0.99
	Shri Kishore Kunal	0.52	0.66
		2.86	3.23
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Smt Vedika Gupta	0.11	0.06
		0.11	0.06
(xv)	Contribution to post employee benefit plan Post employee benefit plan for the benefitted employees		
	KEI Industries Limited Employee Group Gratuity Fund	38.90	93.39
		38.90	93.39

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(xvi)	Dividend Paid (Including Interim Dividend)		
	Key Managerial Personnel		
	Shri Anil Gupta	27.36	36.94
	Shri Rajeev Gupta	0.90	0.97
	Shri Kishore Kunal	0.21	0.23
	Smt. Archana Gupta	1.67	2.26
	Shri Kishan Gopal Somani ₹ 2000 (Previous year ₹2700)	0.00	0.00
	Shri Pawan Bholusaria	0.01	0.01
	Shri Vikram Bhartia	0.02	0.03
		30.17	40.44
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	9.30	12.56
	Projection Financial & Management Consultants Private Limited	15.80	21.33
	Shubh Laxmi Motels & Inns Private Limited	6.96	9.40
	Soubhagya Agency Private Limited	6.25	8.44
	Dhan Versha Agency Private Limited	2.00	2.70
	KEI Cables Private Limited	3.15	4.25
		43.46	58.68
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Shri Sunil Gupta (₹2600/- ,Previous Year ₹3510/-)	0.00	0.00
	Smt. Shashi Gupta (₹ NIL, Previous year ₹4050/-)	-	0.00
		-	-
	Other related parties where relatives of KMP are interested		
	Sunil Gupta (HUF) (₹1000/-, previous year ₹1350/-)	0.00	0.00
		0.00	0.00
(xvii)	Equity Share Allotment (KEI ESOS 2015)		
	Key Managerial Personnel		
	Shri Rajeev Gupta	0.24	0.30
	Shri Kishore Kunal	0.07	0.08
		0.31	0.38
(xviii)	Security Premium on share allotment (KEI ESOS 2015)		
	Key Managerial Personnel		
	Shri Rajeev Gupta	26.76	4.95
	Shri Kishore Kunal	7.58	1.39
		34.34	6.34

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(xix)	Advance Given		
	Joint Venture		
	Joint Venture of M/s KEI Industries Limited, New Delhi & Brugg Kabel AG Switzerland (Association of Persons)	-	0.11
		-	0.11
(xx)	Loan Given		
	Associate		
	KEI Cables SA (PTY) Limited	-	10.97
		-	10.97
(xxi)	Deposits/Unsecured Loan received during the period		
	Key Managerial Personnel		
	Shri Anil Gupta	97.00	60.00
		97.00	60.00
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	15.50	10.00
		15.50	10.00
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Shri Sunil Gupta	23.50	13.00
	Smt. Shweta Jha	3.50	2.60
		27.00	15.60
	Other related parties where relatives of KMP are interested		
	Sunil Gupta (HUF)	4.00	-
		4.00	-
(xxii)	Deposits/Unsecured Loan received earlier repaid during the year		
	Key Managerial Personnel		
	Shri Anil Gupta	-	80.00
		-	80.00
	Other related parties where KMP are interested		
	KEI Cables Private Limited	-	3.80
	KEI International Limited	-	1.20
		-	5.00
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Shri Sunil Gupta	13.00	-
	Smt. Shweta Jha	8.50	-
		21.50	-

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
	Other related parties where relatives of KMP are interested		
	Sunil Gupta (HUF)	4.00	-
		4.00	-
(xxiii)	Loan/Advance given to related party received back		
	Joint Venture		
	Joint Venture of M/s KEI Industries Limited, New Delhi & Brugg Kabel AG Switzerland (Association of Persons)	0.54	-
		0.54	-
(xxiv)	Security Deposit Given		
	Other related parties where KMP are interested		
	Soubhagya Agency Private Limited	2.40	-
		2.40	-
	Key Managerial Personnel		
	Shri Akshit Diviaj Gupta	0.05	-
		0.05	-
(xxv)	Outstanding of Security Deposit Given (at fair Value)		
	Key Managerial Personnel		
	Shri Akshit Diviaj Gupta	0.05	-
		0.05	-
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	0.15	0.15
	Projection Financial & Management Consultants Private Limited	4.72	4.46
	Soubhagya Agency Private Limited	1.22	-
		6.09	4.61
(xxvi)	Maximum Outstanding Balance of security during the period (At fair value)		
	Key Managerial Personnel		
	Shri Akshit Diviaj Gupta	0.05	-
		0.05	-
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	0.15	0.15
	Projection Financial & Management Consultants Private Limited	4.72	4.46
	Soubhagya Agency Private Limited	1.22	-
		6.09	4.61

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(xxvii)	Maximum Outstanding Balance of security during the period(At Cost)		
	Key Managerial Personnel		
	Shri Akshit Diviaj Gupta	0.05	-
		0.05	-
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	0.15	0.15
	Projection Financial & Management Consultants Private Limited	4.77	4.77
	Soubhagya Agency Private Limited	2.40	-
		7.32	4.92
(xxviii)	Investment by Loanee in Equity shares of Company		
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	13.62	13.62
	Projection Financial & Management Consultants Private Limited	114.20	114.20
		127.82	127.82
(xxix)	Salary Payable		
	Key Managerial Personnel		
	Shri Anil Gupta	52.14	46.57
	Shri Rajeev Gupta	0.46	0.56
	Shri Akshit Diviaj Gupta	0.74	0.39
	Shri Kishore Kunal	0.14	0.04
		53.48	47.56
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Smt Vedika Gupta	0.27	0.11
		0.27	0.11
(xxx)	Advance Outstanding		
	Joint Venture		
	Joint Venture of M/s KEI Industries Limited, New Delhi & Brugg Kabel AG Switzerland (Association of Persons)	-	0.54
		-	0.54
(xxxi)	Loan Outstanding		
	Associate		
	KEI Cables SA (PTY) Limited	10.50	9.74
	Less: Impairment	5.28	5.28
		5.22	4.46
	Key Managerial Personnel		
	Shri Kishore Kunal	-	0.14
		-	0.14

S. No.	Particulars	As at 31.03.2021	As at 31.03.2020
(xxxii)	Maximum amount of loan outstanding during the quarter		
	Associate		
	KEI Cables SA (PTY) Limited	10.50	9.74
		10.50	9.74
(xxxiii)	Investment in Equity Shares		
	Associate		
	KEI Cables SA (PTY) Limited (₹2349)	0.00	0.00
	Less: Impairment (₹2349)	0.00	0.00
		-	-
(xxxiv)	Trade Receivables Outstanding		
	Associate		
	KEI Cables SA (PTY) Limited	41.73	64.92
	Less : Impairment	18.31	18.31
		23.42	46.61
(xxxv)	Interest Income Receivable		
	Associate		
	KEI Cables SA (PTY) Limited	0.29	0.18
		0.29	0.18
(xxxvi)	Credit balance of Deposits/ Unsecured loan outstanding as at the period end		
	Key Managerial Personnel		
	Shri Anil Gupta	285.00	188.00
	Shri Akshit Diviaj Gupta	2.50	2.50
		287.50	190.50
	Other related parties where KMP are interested		
	Anil Gupta (HUF)	51.00	35.50
		51.00	35.50
	Relatives of Key Managerial Personnel with whom transaction have taken place		
	Shri Sunil Gupta	23.50	13.00
	Smt. Shweta Jha	-	5.00
		23.50	18.00
	Other related parties where relatives of KMP are interested		
	Sunil Gupta (HUF)	4.00	4.00
		4.00	4.00

c) Other information

- (i) Shri Anil Gupta, Chairman-cum-Managing Director has given personal guarantee to lender banks for company's borrowings.
- (ii) The company has given Performance Bank Gurantees of ₹ 61.61 Millions (Previous year ₹ 61.61 Millions) on behalf of Joint Venture of M/s KEI Industries Limited, New Delhi & Brugg Kabel AG Switzerland.
- (iii) Disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed
- (iv) All outstanding balances pertaining to loans and security deposits with related parties are at fair value.
- (v) Inter corporate loans/advances have been given for business purposes only.
- (vi) As the amount for gratuity and Leave encashment are provided on actuarial basis for the company as a whole, the amount pertaining to the KMP and relatives of KMP are not included in their remuneration.
- (vii) Transactions with Related parties are made on terms equivalent to those that prevail in arms' length transactions.
- (vii) Deposits and loans received from Related Parties are for business purpose and the rate of interest thereon is at arms length price.
- (ix) Shri Manoj Kakkar, Director of Subsidiary Company M/s KEI Cables Australia PTY Limited is in employment with the parent company and has not drawn any remuneration from M/s KEI Cables Australia PTY Limited.

Note -49

Disclosure as per Indian Accounting Standard (Ind AS) 108 "Operating Segments".

(i) Basis of identifying operating segments, reportable segments, segment profit and definition of each reportable segment:

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components; (b) whose operating results are regularly reviewed by the Company's Management to make decisions about resource allocation and performance assessment and (c) for which separate financial information is available.

The Company has three reportable segments as described under "Segment Composition" below. The nature of products and services offered by these businesses are different and are managed separately given the different sets of technology and competency requirements.

(ii) Reportable segments:

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

(iii) Segment composition:

Cable Segment comprises manufacturing, sale and marketing of all range of power cables such as

- Low Tension (LT), High Tension (HT) and Extra High Voltage (EHV), control and instrumentation cables, specialty cables, elastomeric / rubber cables, submersible cables, flexible and house wires, winding wires etc.

Engineering, Procurement and Construction (EPC) projects Segment comprises of survey, supply of materials, design, erection, testing & commissioning on a turnkey basis.

Stainless Steel Wire Segment comprises manufacturing sale and Job work related to Stainless Steel Wires.

(iv) Segment Revenue, Expenditure & Profit:

Performance of a segment is measured based on segment profit (before interest and tax), as included in the internal management reports that are reviewed by the Company's Management.

Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment.

Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocated".

Finance income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting.

Unallocated expenses/ results, assets and liabilities include expenses/ results, assets and liabilities (including inter-segment assets and liabilities) and other activities not allocated to the operating segments. These also include current taxes, deferred taxes and certain financial assets and liabilities not allocated to the operating segments.

Current Taxes, Deferred Taxes and certain financials assets and liabilities are not allocated to those segments as they are also managed on company level.

(v) Segment Asset Liabilities and Capital Expenditure:

The total assets disclosed for each segment represent assets directly managed by each segment, and primarily include receivables, property, plant and equipment, intangibles, inventories, operating cash and bank balances, intersegment assets and exclude derivative financial assets, deferred tax assets and income tax recoverable.

Segment liabilities comprise operating liabilities and exclude external borrowings, provision for taxes, deferred tax liabilities and derivative financial liabilities.

Segment capital expenditure comprises additions to property, plant and equipment and intangible assets (net of rebates, where applicable).

(₹ in Millions)

Particulars	Cables		Stainless steel Wire		EPC Projects		Unallocated		Inter Segment Elimination		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Revenue (Gross)												
External	30,724.02	33,574.77	1,416.53	1,375.27	9,766.99	13,966.61	-	(0.00)	(92.17)	(38.65)	41,815.37	48,878.00
Inter-Segment Revenue	5,018.58	6,284.70	-	-	-	-	-	-	(5,018.58)	(6,284.70)	-	-
Total Revenue	35,742.60	39,859.47	1,416.53	1,375.27	9,766.99	13,966.61	-	(0.00)	(5,110.75)	(6,323.35)	41,815.37	48,878.00
Result												
Segment Result	4,163.77	4,413.70	65.03	87.58	907.39	1,636.93	-	-	(541.82)	(270.76)	4,594.37	5,867.45
Unallocated Expenditure net of unallocated income							(408.63)	(1,429.76)			(408.63)	(1,429.76)
Finance Cost							(573.09)	(1,291.51)			(573.09)	(1,291.51)
Interest Income							41.58	132.48			41.58	132.48
Dividend Income							0.08	0.02			0.08	0.02
Profit Before Tax	4,163.77	4,413.70	65.03	87.58	907.39	1,636.93	(940.06)	(2,588.77)	(541.82)	(270.76)	3,654.31	3,278.68
Share of profit/(Loss) of Joint venture and Associate Company (Net of tax)											1.00	(0.13)
Tax including Deferred Tax											921.22	715.64
Profit for the year											2,734.09	2,562.91
Other Information												
Segment Assets	19,826.42	19,856.03	682.22	670.48	7,026.56	9,639.93	2,604.52	2,522.31			30,139.72	32,688.75
Segment Liabilities	8,742.99	12,658.74	176.66	309.71	1,106.35	1,568.19	2,333.25	3,081.04			12,359.25	17,617.68
Capital Expenditure	238.82	752.06	15.91	27.35	29.46	16.33	67.85	131.29			352.04	927.03
Depreciation and Amortization	489.63	482.51	17.38	18.09	14.57	14.14	56.56	52.15			578.14	566.89

(₹ in Millions)

Information about Geographical Segment:

SECONDARY SEGMENT INFORMATION	India		Outside India		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
External Revenue (Gross)	35,732.61	39,887.41	6,082.76	8,990.59	41,815.37	48,878.00
Addition to Non Current Assets	235.88	848.91	15.94	1.19	251.82	850.10

Information about major customers :

There are no customers having revenue exceeding 10% of total revenues.

50. FAIR VALUE MEASUREMENTS

Carrying amounts of Financial Assets and Financial Liabilities in each category are as follows:

(₹ in Millions)

Particulars	Note Reference	As at 31 st March, 2021				As at 31 st March, 2020			
		FVPL	FVOCI	AMORTISED COST	FAIR VALUE	FVPL	FVOCI	AMORTIZED COST	FAIR VALUE
Financial Assets									
Investments	7								
- Equity Instruments		-	4.68	-	4.68	-	2.80	-	2.80
- Mutual funds		-	4.40	-	4.40	-	3.17	-	3.17
Loans	8 & 15	-	-	219.90	217.41	-	-	153.60	153.87
Trade receivables	12	-	-	13,495.71	13,495.71	-	-	13,675.86	13,675.86
Cash and Cash equivalents	13	-	-	2,201.62	2,201.62	-	-	1,194.64	1,194.64
Bank Balances other than Cash and Cash equivalents	14	-	-	10.75	10.75	-	-	948.89	948.89
Other financial assets	9 & 16			218.75	218.75			875.82	875.82
Total financial assets		-	9.08	16,146.73	16,153.32	-	5.97	16,848.81	16,855.05
Financial Liabilities									
Borrowings	21 & 25	2,849.60	-	-	2,849.60	3,150.92	-	-	3,150.92
Trade payables	26	-	-	7,415.02	7,415.02	-	-	11,689.68	11,689.68
Other Current Financial Liabilities	27	-	-	442.35	442.35	-	-	721.67	721.67
Total financial liabilities		2,849.60	-	7,857.37	10,706.97	3,150.92	-	12,411.35	15,562.27

(i) Carrying amount of Trade Receivables, Trade Payables, other current financial assets, other current financial liabilities and Cash & Cash Equivalent are considered to be the same as their Fair Value due to their short term nature.

(ii) Carrying amount of Financial Assets and Liabilities carried at Amortized Cost is considered a reasonable approximation of Fair Value.

(iii) Above table excludes Investment in Subsidiary, Associate and Joint Venture, which are measured at cost in accordance with Ind AS 27, 'Separate Financial Statements'.

51. FAIR VALUE HIERARCHY

This section explains the judgments and estimates made in determining fair values of financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in financial statements. To provide an indication about reliability of inputs used in determining fair value, Company has classified its financial instruments into three levels prescribed under accounting standard. An explanation of each level follows underneath the table:

Fair value of financial instruments as referred to in note above has been classified into three categories depending on inputs used in valuation technique. Hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements).

The categories used are as follows:

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

Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data relied as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(₹ in Millions)

Financial assets and liabilities measured at fair value - recurring fair value measurements as 31 st March, 2021	Note Reference	Level 1		Level 2		Level 3	
		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
Financial assets							
Investments at FVOCI	7						
- Equity Instruments		4.68	2.80	-	-	-	-
- Mutual funds		-	-	4.40	3.17	-	-
Loans	8 & 15			-	-	219.90	153.60
Total financial assets		4.68	2.80	4.40	3.17	219.90	153.60
Financial liabilities							
Borrowings	21 & 25		-	-	-	2,849.60	3,150.92
Other Current Financial Liabilities	27		-	-	-	442.35	721.67
Total Financial liabilities			-	-	-	3,291.95	3,872.59

Company's policy is to recognize transfers into and transfer out of fair value hierarchy levels as at the end of the reporting period.

During the year ended 31st March, 2021 and 31st March, 2020 there were no transfers between level 1 and level 2 fair value measurements and no transfer into and out of level 3 fair value measurement.

52. FINANCIAL RISK MANAGEMENT

Company's businesses are subject to several risks and uncertainties including financial risks. Company's documented risk management polices, act as an effective tool in mitigating various financial risks to which business is exposed to in course of their daily operations. Risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty and concentration of credit risk and capital management.

Company's senior management oversees management of these risks. Senior professionals working to manage financial risks and appropriate financial risk governance framework for Company are accountable to Board of Directors and Audit Committee. This process provides assurance to Company's senior management that Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

52.1. MARKET RISK

Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Currency Risk
- Price Risk
- Commodity Price Risk
- Interest Rate Risk

Above risks may affect Company's income and expenses, or value of its financial instruments. Company's exposure to and management of these risks are explained below.

52.1.1. CURRENCY RISK - POTENTIAL IMPACT OF RISK & MANAGEMENT POLICY

Company undertakes transactions denominated in foreign currencies mainly related to its operating activities. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

Carrying amounts of Company's foreign currency denominated monetary assets and monetary liabilities at end of reporting period are as follows:

(a) Amount payable in foreign currency on account of the following:

Particulars	As at 31 st March, 2021			As at 31 st March, 2020		
	Currency	Amount in foreign currency	₹ in Millions	Currency	Amount in foreign currency	₹ in Millions
Import of Goods & Advance Received	USD	3,89,13,371	2,843.06	USD	5,99,07,817	4,478.70
	EURO	38,855	3.37	EURO	55,432	4.65
	CHF	3,51,564	27.52	CHF	2,73,963	21.73
	AUD	-	-	AUD	25,073	1.21
	GBP	1,78,107	17.66	GBP	1,30,061	12.01
	NPR	19,29,55,362	121.46	NPR	18,24,26,765	114.93
Royalty/Know How/License fee	EURO	3,12,500	27.08	EURO	6,54,696	54.96
Expenses Payable	USD	12,16,897	89.34	USD	10,43,717	79.11
	GBP	37,615	3.81	GBP	1,54,489	14.46
	AED	1,07,639	2.16	AED	56,750	1.18
	NPR	10,12,533	0.65	NPR	10,42,564	0.65
	EURO	-	-	EURO	4,749	0.40
Statutory Dues Payable	NPR	58,733	0.04	NPR	1,06,541	0.07
Balance With Bank	GMD	13,782	0.02	GMD	-	-
Term Loan/ECB	USD	40,00,000	293.68	USD	70,09,080	531.29

(b) Amount receivable in foreign currency on account of the following:

Particulars	As at 31 st March, 2021			As at 31 st March, 2020		
	Currency	Amount in foreign currency	₹ in Millions	Currency	Amount in foreign currency	₹ in Millions
Exports of Goods & Advance Paid	USD	2,19,28,334	1,594.70	USD	3,07,15,983	2,299.78
	EURO	12,76,203	108.59	EURO	5,73,089	47.01
	CHF	-	-	CHF	39,595	2.92
	AUD	1,15,27,300	635.73	AUD	64,91,550	299.26
	NPR	3,27,41,452	20.25	NPR	2,43,258	0.15
	GBP	64,795	6.49	GBP	2,75,825	25.47
Recoverables	AUD	-	-	AUD	2	0.00
	AED	1,41,931	2.83	AED	1,01,255	2.08
	GMD	1,46,239	0.21	GMD	1,60,162	0.24
	USD	1,85,564	13.47	USD	1,89,329	14.07
	SGD	-	-	SGD	6	0.00
	ZAR	23,59,692	0.75	ZAR	23,42,583	9.92
	EURO	2,380	0.20	EURO	15,558	1.30
	THB	219	0.00	THB	219	0.00
	RMB	1,594	0.02	RMB	1,594	0.02
	NPR	1,66,92,114	10.34	NPR	14,56,687	0.86
Balance with Banks	SGD	-	-	SGD	1,297	0.07
	USD	24,834	1.80	USD	50,070	3.75
	GMD	-	-	GMD	1,273	0.00
	NPR	3,30,97,827	20.44	NPR	74,73,270	4.66
	AED	1,04,528	2.06	AED	90,608	1.84
Fixed Deposit with Banks	NPR	19,14,249	1.18	NPR	6,00,00,000	37.40

52.1.2. Currency Risk - Sensitivity to Risk

Following table demonstrates sensitivity to a reasonably possible change in USD, EUR, AUD exchange rates, with all other variables held constant. Impact on company profit before tax is due to changes in fair value of monetary assets and liabilities. Foreign currency exposures recognized by Company that have not been hedged by a derivative instrument or otherwise are as under:

(₹ in Millions)

Particulars	Impact on profit before tax on increase		Impact on profit before tax on decrease	
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
USD – Increase/ Decrease by 5%	(80.81)	(141.82)	80.81	141.82
EUR – Increase/ Decrease by 5%	3.92	(0.59)	(3.92)	0.59
AUD – Increase/ Decrease by 5%	31.79	14.90	(31.79)	(14.90)

52.1.3. Price Risk - Potential Impact of Risk & Management Policy

- (a) Company is exposed to price risk due to its investment in Equity Shares & Mutual Funds. Price risk arises due to uncertainties about future market values of these investments.
- (b) Company reviews its investments at regular intervals in order to minimize price risk arising from investments in Equity Shares & Mutual Funds.
- (c) Majority of investments of Company are publicly traded and listed in BSE/NSE. Carrying amounts of the Company's investment in Equity Shares & Mutual Funds at the end of the reporting period are given in Note 7.

52.1.4. Price Risk - Sensitivity to Risk

Following table demonstrates sensitivity to a reasonably possible change in equity index where investments of Company are listed. Impact on company's profit before tax is due to changes in NSE Index.

(₹ in Millions)

Particulars	Impact on profit before tax		Impact on Other Components of Equity before tax	
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
NSE Index Increase by 5%	-	-	0.45	0.30
NSE Index Decrease by 5%	-	-	(0.45)	(0.30)

52.1.5. Commodity Price Risk - Potential Impact of Risk & Management Policy

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of industrial and domestic cable and therefore require a continuous supply of major items of raw material viz copper and Aluminum. Due to the volatility of the prices of the Copper and Aluminum, Company has entered into various purchase contracts for these materials. The Company's Board of Directors has adopted a risk management strategy regarding commodity price risk and its mitigation. The Company partly mitigated the risk of price volatility by entering into the contract for purchase of these raw material based on average price of for each month.

52.1.6. Interest Rate Risk - Potential Impact of Risk & Management Policy

- (a) Company invests in fixed deposits for a period between 3 months to 7 years. All fixed deposits are with banks, accordingly there is no significant interest rate risk pertaining to these deposits.
- (b) Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's exposure to risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates and fixed deposits. Company's fixed rate borrowings and deposits are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither carrying amount nor future cash flows will fluctuate because of a change in market interest rates. The Company also uses interest rate swap to mitigate the interest rate risk.
- (c) Risk is managed by Company by maintaining an appropriate mix between fixed and floating rate of borrowings.

Exposure of Company's borrowing to interest rate changes at end of reporting period are as follows:

(₹ in Millions)

Particulars	31 st March, 2021	31 st March, 2020
Variable rate borrowings	1,063.16	1,856.68
Fixed rate borrowings	1,991.26	1,809.81
Total borrowings	3,054.42	3,666.49

Refer Note No. 21, 25 & 27 for maturities of Company borrowings.

52.1.7. Interest Rate Risk – Sensitivity

Sensitivity analysis below has been determined based on exposure to interest rates for non-derivative instruments at end of reporting period. For floating rate liabilities, analysis is prepared assuming amount of liability outstanding at end of reporting period was outstanding for whole year.

(₹ in Millions)

Particulars	Impact on profit before tax on increase		Impact on profit before tax on decrease	
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
Interest Rate – Increase/ Decrease by 50 basis point (50 bps)	(1.35)	(4.47)	1.35	4.47

52.2. Credit Risk

- (a) Credit risk refers to risk that counterparty will default on its contractual obligations resulting in financial loss to Company.
- (b) Company is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, short-term investments and derivative financial instruments. Credit limits are set based on a counterparty value. Methodology used to set list of counterparty limits includes, counterparty Credit Ratings (CR) and sector exposure. Evolution of counterparties is monitored regularly, taking into consideration CR and sector exposure evolution. As a result of this review, changes on credit limits and risk allocation are carried out.
- (c) In respect of its investments, Company aims to minimize its financial credit risk through application of risk management policies.
- (d) For financial instruments, Company attempts to limit credit risk by only dealing with reputed banks and financial institutions.
- (e) None of Company's cash equivalents, including fixed deposits with banks, are past due or impaired.
- (f) Trade receivables are subject to credit limits, controls & approval processes. These terms and conditions are determined on a case to case basis with reference to customer's Credit quality and prevailing market conditions. credit quality of Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. Due to large geographical base & number of customers, Company is not exposed to material concentration of credit risk. Based on historical experience, risk of default in case of trade receivable is low. Provision is made for doubtful receivables on individual basis depending on the customer ageing, customer category, specific credit circumstances & the historical experience of Company. Solvency of customers and their ability to repay receivable is considered in assessing receivables for impairment. Where receivables are impaired, Company actively seeks to recover amounts in question and enforce compliance with credit terms.
- (g) Company assesses and manages credit risk of Financial Assets based on following categories arrived on basis of assumptions, inputs and factors specific to class of Financial Assets.

A: Low Credit Risk on financial reporting date

B: Moderate Credit Risk

C: High Credit Risk

Company provides for Expected Credit Loss based on following:

Asset group	Basis of categorization	Provision for expenses credit loss
Low Credit Risk	Cash and Cash Equivalents, other Bank Balances and Fixed Deposits with Banks	12 month expected credit loss
Moderate Credit Risk	Trade Receivables and other Current Financial Assets	Life time expected credit loss
	Loans	12 month expected credit loss
High Credit Risk	Trade Receivables, Loans and other Current Financial Assets	Life time expected credit loss or fully provided

(₹ in Millions)

Credit rating	Particulars	Note reference	As at 31 st March, 2021	As at 31 st March, 2020
A: Low credit risk	Cash and Cash Equivalents, other Bank Balances and other Non Current Financial Assets	9, 13 & 14	2,216.86	2,152.82
B: Moderate credit risk	Trade Receivables, Loans and other Current Financial Assets	8, 12, 15 & 16	13,929.87	14,695.99
C: High credit risk	Nil	-	-	-

A: Low Credit Risk

(₹ in Millions)

As at 31 st March, 2021				
Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Cash and Cash Equivalents	13	2,201.32	-	2,201.62
Bank Balances other than Cash and Cash equivalents	14	10.75	-	10.75
Other Non Current Financial Assets	9	4.49	-	4.49

(₹ in Millions)

As at 31 st March, 2020				
Particulars	Note reference	Carrying Amount	Impairment	Carrying Amount net of Impairment Provision
Cash and Cash Equivalents	13	1,194.64	-	1,194.64
Bank Balances other than Cash and Cash equivalents	14	948.89	-	948.89
Other Non Current Financial Assets	9	9.29	-	9.29

B: Moderate Credit Risk

(₹ in Millions)

As at 31 st March, 2021						
Particulars	Note reference	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount (Considered Good)	12 & 16	12,979.32	768.37	148.23	33.32	13,929.24
Impairment allowance		18.31	179.85	19.53	1.58	219.27
Carrying Amount of Trade Receivables and other financial assets (Net of Impairment)		12,961.01	588.52	128.70	31.74	13,709.97

(₹ in Millions)

As at 31 st March, 2020						
Particulars	Note reference	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount (Considered Good)	12 & 16	13,906.51	677.41	58.97	78.75	14,721.64
Impairment allowance		28.30	139.09	3.07	8.79	179.25
Carrying Amount of Trade Receivables and other financial assets (Net of Impairment)		13,878.21	538.32	55.90	69.96	14,542.39

Movement in impairment allowance - Trade Receivables

(₹ in Millions)

Reconciliation of Loss Allowance	Loss allowance
Impairment Loss allowance on 1st April, 2019	167.15
Impairment Recognised	18.31
Expected credit loss (ECL) Reversal	6.21
Impairment Loss allowance on 31st March, 2020	179.25
Expected credit loss (ECL) Recognized	40.02
Loss Allowance on 31st March, 2021	219.27

C: High Credit Risk

(₹ in Millions)

As at 31 st March, 2021						
Particulars	Note reference	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount at high risk	15	10.50	-	-	-	10.50
Impairment allowance		5.28	-	-	-	5.28
Carrying Amount of Loans (Net of Impairment)		5.22	-	-	-	5.22

(₹ in Millions)

As at 31 st March, 2020						
Particulars	Note reference	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Above 3 years	Total
Gross Carrying Amount at high risk	15	9.74	-	-	-	9.74
Impairment allowance		5.28	-	-	-	5.28
Carrying Amount of Loans (Net of Impairment)		4.46	-	-	-	4.46

- (a) Liquidity risk is the risk that Company will face in meeting its obligations associated with its financial liabilities. Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.
- (b) Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2021 and 31st March, 2020.
- (c) Cash flow from operating activities provides funds to service financial liabilities on a day-to-day basis.
- (d) Company regularly monitors rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated is used for working capital management.
- (e) Following table analyses Company's financial liabilities into relevant maturity grouping based on their contractual maturity for all non derivative financial liabilities:

(₹ in Millions)

As at 31 st March, 2021					
Non-derivative liabilities	Note reference	Carrying amount	Payable within 1 year	More than 1 years	Total
Trade payables (including acceptances)	26	7,415.02	7,415.02	-	7,415.02
Borrowings	21 & 25	2,849.60	2,536.06	313.54	2,849.60
Unpaid dividend	27	1.93	1.93	-	1.93
Other current financial liabilities	27	440.42	440.42	-	440.42

(₹ in Millions)

As at 31 st March, 2020					
Non-derivative liabilities	Note reference	Carrying amount	Payable within 1 year	More than 1 years	Total
Trade payables (including acceptances)	26	11,689.68	11,689.68	-	11,689.68
Borrowings	21 & 25	3,150.92	2,623.94	526.98	3,150.92
Unpaid dividend	27	1.87	1.87	-	1.87
Other current financial liabilities	27	719.80	719.80	-	719.80

52.3 CURRENT & LIQUID RATIO

Following table shows ratio analysis of Company for respective periods:

Period	Current Ratio	Liquid Ratio
31 st March, 2021	2.14	1.47
31 st March, 2020	1.63	1.10

Company has hypothecated all of its Plant & Machinery, Factory Building, Trade Receivables and Cash & Cash Equivalents in order to fulfill collateral requirements for financial facilities in place. The counterparties have an obligation to return the securities to Company.

Under terms of major borrowings facilities, Company is required to comply with certain financial covenants and Company has complied with those covenants throughout the reporting period.

53. Capital Management:

53.1 Risk Management:

Capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of Company's capital. Management monitors capital structure and net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short term investments.

53.2 DIVIDENDS:

No changes were made in the objectives, policies or processes for managing capital during the year:

Particulars	31 st March, 2021	31 st March, 2020
Total number Equity shares outstanding	8,98,55,438	8,95,04,438
Interim dividend (including Dividend Distribution Tax) for the year (Refer Note No. 20) (₹ in Millions)	179.71	161.85

54. Interest in Other Entities

(a) Subsidiaries

Information of subsidiary of parent company at 31st March, 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the parent company, and the proportion of ownership interests held equals the voting rights held by the parent company. The country of incorporation or registration is also their principal place of business.

Name of Entity	Country of incorporation	Functional Currency	Ownership interest held by the Company		Principal Activities
			31 st March, 2021	31 st March, 2020	
KEI Cables Australia PTY Limited	Australia	AUD	90%	90%	Trading

No Dividend is received from subsidiary

Subsidiary with material Non-Controlling Interests

Details of subsidiary, KEI Cables Australia PTY LTD, with material non-controlling interests (NCI):

Name	Proportion of ownership interests and voting rights held by the NCI		Total Comprehensive Income allocated to NCI		Accumulated NCI	
	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
KEI Cables Australia PTY LTD	10%	10%	1.08	(0.05)	(0.08)	(1.16)

Summarized Financial Information for KEI Cables Australia PTY LTD before intragroup eliminations, is set out below: (₹ in Millions)

Particulars	As at 31 st March 2021	As at 31 st March 2020
Non-Current Assets		-
Current Assets	0.38	0.63
Total Assets (A)	0.38	0.63
Non-Current Liabilities		
Current Liabilities	3.34	12.56
Total Liabilities (B)	3.34	12.56
Net Assets (Equity) C= (A-B)	(2.96)	(11.93)
Equity Attributable to Owners of the Parent	(2.66)	(10.74)
Non - Controlling Interests	(0.30)	(1.19)

(₹ in Millions)

Particulars	As at 31 st March 2021	As at 31 st March 2020
Revenue Including other Income	15.50	37.36
Expenditure	4.67	37.84
Profit/(Loss) before Tax	10.83	(0.48)
Current Tax (including deferred tax)	-	-
Profit/(Loss) after Tax	10.83	(0.48)
Profit for the year attributable to owners of the Parent	9.75	(0.43)
Profit for the year attributable to NCI	1.08	(0.05)
Profit for the Year	10.83	(0.48)
Other Comprehensive Income for the year (net of tax)	-	-
Other Comprehensive Income for the year attributable to owners of the parent	-	-
Other Comprehensive Income for the year attributable to NCI	-	-
Other Comprehensive Income for the year	-	-
Total Comprehensive income for the year	10.83	(0.48)
Total Comprehensive Income for the year attributable to owners of the parent	9.75	(0.43)
Total Comprehensive Income for the year attributable to NCI	1.08	(0.05)
Total comprehensive income for the year	10.83	(0.48)

(b) Summarized cash flow for KEI Cables Australia PTY LTD, before intragroup eliminations, is set out below: (₹ in Millions)

Particulars	As at 31 st March 2021	As at 31 st March 2020
Cash Flows from Operating Activities	(0.59)	8.41
Cash Flows from Investing Activities	-	-
Cash Flows from Financing Activities	0.35	(7.92)
Net increase/ (decrease) in Cash and Cash Equivalents	(0.24)	0.49

(c) Joint Venture and Associate:

Set out below are the joint venture and associate of the group as at 31st March 2021 which, in the opinion of the directors, are not material to the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

This Joint Venture is a Jointly Controlled Entity within the meaning of Ind AS - 111 on "Joint Arrangements". The Joint Venture is in form of a Association of Persons (AOP) and the company is holding 100% share in Profit / Loss of AOP. Group has not invested any amount as capital in Joint Venture. Investment in Joint Venture is accounted for in accordance with Ind AS-28 "Investments in Associate and Joint Venture".

The Associate is a Jointly Controlled Entity within the meaning of Ind AS - 111 on "Joint Arrangements". The Associate is form of separate entity and the Group is holding 49% of ownership Interest. Investment in Associate is Accounted for in Accordance with IND AS 28 "Investment in Associate and joint venture".

Name of Entity	Place of business	Functional Currency	Ownership Interest held by the Group		Relationship
			As at 31 st March 2021	As at 31 st March 2020	
Joint Venture of KEI Industries Ltd New Delhi & Brugg Kable AG Switzerland	India	INR	100%	100%	Joint Venture
Investments in KEI Cables SA (PTY) Limited	South Africa	ZAR	49%	49%	Associate

(d) Summarized Financial Information for Joint Venture and Associate are set out below:

Particulars	KEI Cables SA (PTY) Limited		Joint Venture of KEI Industries Ltd New Delhi & Brugg Kable AG Switzerland	
	As at 31 st March 2021	As at 31 st March 2020	As at 31 st March 2021	As at 31 st March 2020
Non-Current Assets	-	-	-	-
Current Assets ^(a)	30.03	50.66	2.94	2.48
Total Assets (A)	30.03	50.66	2.94	2.48
Non-Current Liabilities	-	-	-	-
Current Liabilities ^(b)	54.73	80.09	0.37	0.90
Total Liabilities (B)	54.73	80.09	0.37	0.90
Net Assets C= (A-B)	(24.70)	(29.43)	2.57	1.58
Group Share in %	49%	49%	100%	100%
Group Share in Net Assets	(12.10)	(14.42)	2.57	1.58
Net assets recognised in consolidated financial statements*	-	-	2.57	1.58
a) Includes Cash and Cash Equivalents	3.10	9.60	0.06	0.01
b) Includes Financial Liabilities (excluding Trade and Other Payables and Provisions)	11.39	9.74	-	0.54

* Due to full Impairment in Value of Investment.

(e) Summarized statement of Profit & Loss for Joint Venture and Associate are set out below:
(₹ in Millions)

Particulars	KEI Cables SA (PTY) Limited		Joint Venture of KEI Industries Ltd New Delhi & Brugg Kable AG Switzerland	
	As at 31 st March 2021	As at 31 st March 2020	As at 31 st March 2021	As at 31 st March 2020
Revenue	37.12	64.65	0.35	-
Cost of Materials Consumed	22.41	56.51	-	-
Finance Costs	0.10	0.29	0.00	-
Other Expenses	4.65	39.08	0.05	0.13
Tax expense	-	-	(0.70)	-
Profit/ (Loss)	9.96	(31.23)	1.00	(0.13)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	9.96	(31.23)	1.00	(0.13)

55. Additional Information pursuant to Schedule III of the Companies Act, 2013: (₹ in Millions)

For the year ended 31st March, 2021

S. No	Name of the Entity	Ownership Interest	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
			As % of Consolidated net Assets	Amount	As % of consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Total Comprehensive Income	Amount
1	Parent	-	100.00%	17,780.86	99.56%	2,722.26	100.00%	8.78	99.56%	2,731.04
2	Subsidiaries									
B	Foreign									
a.)	KEI Cables Australia PTY LTD	90.00%	-0.01%	(2.66)	0.36%	9.75	0.00%	-	0.36%	9.75
3	Non - Controlling Interest in Subsidiary	10.00%	0.00%	(0.30)	0.04%	1.08	0.00%	-	0.04%	1.08
4	Associate									
	Foreign									
	Investments Accounted for using Equity Method									
a.)	Investments in KEI Cables SA (PTY) Limited	49.00%	0.00%	-	0.00%	-	0.00%	-	0.00%	-
5	Joint Venture									
	Investments Accounted for using Equity Method									
A	Indian									
a.)	Joint Venture of KEI Industries Ltd New Delhi & Brugg Kable AG Switzerland	100.00%	0.01%	2.57	0.04%	1.00	0.00%	-	0.04%	1.00
	TOTAL		100%	17780.47	100.00%	2734.09	100.00%	8.78	100%	2742.87

Form AOC-1

55(A) Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint ventures

Part "A": Subsidiaries

(₹ In Millions)

Sl. No.	Particulars	As at 31 st March, 2021
1	Name of Subsidiary	KEI Cable Australia PTY LTD
2	The date since when sub-sidiary was acquired	14-12-2015
3	Reporting period for subsidiary	01-07-2020 to 30-06-2021
4	Reporting Currency in the case of foreign Subsidiary	AUD
5	Exchange Rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries.	56.22
6	Share Capital	0.01
7	Reserve and Surplus	(2.97)
8	Total Assets	0.38
9	Total Liabilities	3.34
10	Investments	-
11	Turnover	15.50
12	Profit Before Taxation	10.83
13	Provision for Taxation	-
14	Profit after Taxation	10.83
15	Proposed Dividend	-
16	% of Holding	90%

Name of Subsidiaries which are yet to commence operations:- Nil

Name of Subsidiaries which have been liquidated or sold during the year: - Nil

Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ In Millions)

Sl. No.	Name of Associates/ Joint Ventures	KEI Cables SA (PTY) Ltd, South Africa	Joint Venture of KEI Industries Ltd New Delhi & Brugg Kabel A.G. Switzerland
1	Latest Audited Balance Sheet Date	N.A.	N.A.
		Associate	Joint Venture
2	Date on which the Associate or Joint Venture was associated or acquired	12-09-2018	24-06-2014
3	Shares of Joint Ventures held by the company on the year end		
	Numbers	490 Equity Shares of 1 ZAR each	N.A.
	Amount of Investment	0.00	-
	Extent of Share in Profit / Loss	49%	100%
4	Description of how there is significant influence	Associate Company & Share in Profit / Loss more than 20%	Joint Venture & Share in Profit / Loss more than 20%
5	Reason why the Joint Venture is not consolidated	N.A.	N.A.
6	Net worth Attributable to Shareholding as per latest unaudited Balance Sheet	(24.70)	2.57
7	Profit / Loss for the year	9.96	1.00
	(i) Considered in Consolidation*	-	1.00
	(ii) Not Considered in Consolidation	9.96	-

* Due to Impairment in Value of Investment not consolidated

Name of Joint Ventures which are yet to commence operations:- Nil

Name of Joint Ventures which have been liquidated or sold during the year:- Nil

N.A. = Not Applicable

A.O.P. = Association of Persons

56. Other Significant matters:

- 56.1** During the year ended 31st March, 2020, Company had issued 10 Million equity shares of ₹ 2/- each at premium of ₹ 498/- each (Issue Price per share ₹ 500/- each) amounting to ₹ 5000 Millions to Qualified Institutional Buyers on QIP basis. The net proceeds of QIP (net of QIP expenses ₹ 146.43 Million) was used as per objects of the Issue for repayment of debts. An amount of ₹ 880.55 Millions was unutilized as on 31st March, 2020 which has been fully utilized during the year as per the objects of the Issue.
- 56.2** Due to COVID-19 pandemic and lockdown restrictions business activities of the company was impacted during first quarter of the current financial year, hence financial results for the financial year ended on March 31, 2021 are strictly not comparable to previous financial year. The Company has taken into account external and internal information for assessing possible impact of COVID-19 on various elements of its financial results, including recoverability of assets.
- 56.3** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 56.4** During the year, the Company detected that some of the Employees, in connivance with certain dealers, misappropriated Cables/Wires, having an estimated value of ₹12.12 Million. Company took immediate action by getting an FIR registered against the Offenders and the matter is being investigated by the Police. Company is hopeful of recovery of the amount and has taken suitable steps, so that such instances do not occur in the future.
- 56.5** Financials of Subsidiary, Joint Venture and associate are as certified by the Management. In opinion of the Management financials of subsidiary, joint venture and associate are not material to the Group and also there is no requirement of audit as per applicable laws.

57. Previous Year's figures have been regrouped / rearranged, wherever necessary.

As per our Report of even date attached

For PAWAN SHUBHAM & CO.

Chartered Accountants

Firm Registration No: 011573C

(PAWAN KUMAR AGARWAL)

Partner

M.No. 092345

(ANIL GUPTA)

Chairman-cum-Managing Director

DIN: 00006422

(KISHORE KUNAL)

GM (Corporate) & Company Secretary

M.No. FCS-9429

(RAJEEV GUPTA)

Executive Director (Finance) & CFO

DIN: 00128865

(ADARSH KUMAR JAIN)

Asst. Vice President (Finance)

M.No. FCA-502048

Place of Signing: New Delhi

Date: 29th May, 2021

Place of Signing: New Delhi

Date: 29th May, 2021

NOTICE

THE 29TH ANNUAL GENERAL MEETING OF THE MEMBERS OF KEI INDUSTRIES LIMITED WILL BE HELD ON WEDNESDAY, THE 08TH DAY OF SEPTEMBER, 2021 AT 2.00 P.M. THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS (VC/OAVM) FOR WHICH PURPOSE THE REGISTERED OFFICE OF THE COMPANY SITUATED AT D-90, OKHLA INDUSTRIAL AREA, PHASE-1, NEW DELHI-110020 SHALL BE DEEMED AS THE VENUE FOR THE MEETING AND THE PROCEEDINGS OF THE AGM SHALL BE DEEMED TO BE MADE THEREAT, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended on March 31, 2021, the Report of Board of Directors and Auditors of the Company thereon and the Audited Consolidated Financial Statements of the Company for the Financial Year ended on March 31, 2021 and the Report of Auditors thereon.
2. To confirm the payment of Interim Dividend of ₹ 2.00 per equity share already paid during the year as the Final Dividend for the Financial Year 2020-21.
3. To appoint a Director in place of Mrs. Archana Gupta (holding DIN: 00006459), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

4. **Re-appointment of Mr. Anil Gupta (holding DIN: 00006422) as Chairman-cum-Managing Director of the Company:**

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

"RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee of the Board and Board of Directors and Sections 196, 197, 198, 203 read with Schedule V and other applicable

provisions, if any, of the Companies Act, 2013 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force) and such other approvals as may be necessary, the members of the Company hereby accord its approval for re-appointment of Mr. Anil Gupta as Chairman-cum-Managing Director (CMD) of the Company with effect from July 01, 2021 to June 30, 2024 (i.e. for a period of three years) on the terms & conditions set out here below and with further discretion to the Committee/Board to alter from time to time said terms & conditions in such manner as it may deem fit in the best interest of the Company and agreed to with Mr. Anil Gupta:

1. Period	from July 01, 2021 to June 30, 2024
2. Remuneration	
a. Salary	₹ 38,50,000/- basic salary per month w.e.f. July 01, 2021 upto maximum basic salary of ₹ 45,00,000/-per month.
b. Perquisites	Perquisites shall be restricted to an amount equal to not exceeding ₹ 6,00,000/- per month w.e.f. July 01, 2021 up to maximum of ₹ 7,00,000/-per month.
c. Commission	Up to 5% of the Net Profit less remuneration payable under point no. (a) & (b) above, calculated as per the provisions of Section 197 of the Companies Act, 2013.
For this purpose perquisites are classified into three categories A, B and C:	

Category - A

- Housing:** The expenditure by the Company on hiring furnished / unfurnished accommodation for him will be subject to the following ceilings:
 - ₹ 3,00,000/- per month w.e.f. July 01, 2021 up to maximum of ₹ 6,00,000/-per month.

- b) The expenditure incurred by the Company on gas, electricity, water and furnishings evaluated as per Income Tax Rules, 1962.

- ii) **Medical Reimbursement:** Expenses incurred for himself and his family as per rules of the Company.
- iii) **Club Fees:** Fees of clubs to a maximum of two clubs. This will not include admission and life membership fees.

Category - B

- i) The Company's contribution for him to provident fund, superannuation fund or annuity fund is in accordance with the Rules and Regulations of the Company. Such contribution will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- ii) Gratuity, leave and other entitlements: As per Company's policy.

Category - C

Car with a driver for use on the Company's business and telephone at residence provided that personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to him. The provision of car and telephone will not be considered as perquisites.

RESOLVED FURTHER THAT the minimum remuneration and perquisites to be paid in the event of absence or inadequacy of profits in any financial year during his tenure of office shall be as per Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT the Board / Committee of Directors of the Company or such Officer(s) / Authorised Representative(s) as may be authorized by the Board be and are hereby authorized to file the necessary applications, e-forms, documents with, inter-alia, the Registrar of Companies, send intimation(s) to Stock Exchange(s) as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient for the purpose of giving effect to the above resolution and for matters connected herewith or incidental hereto.

5. Ratification of Remuneration of M/s. S. Chander & Associates, Cost Accountants, appointed as Cost Auditors of the Company.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force or from time to time), M/s. S. Chander & Associates., Cost Accountants, appointed by the Board of Directors / Audit Committee of the Company to conduct the audit of the cost records maintained by the Company for the Financial Year 2021-22, be paid the remuneration of ₹ 3,75,000/- excluding Goods and Service tax as applicable thereon and reimbursement of travelling and other incidental expenses that may be incurred for this purpose by the said Cost Auditors.

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

**By Order of the Board of Directors
For KEI INDUSTRIES LIMITED**

(Kishore Kunal)

Place: New Delhi AVP (Corporate Finance) & Company Secretary
Date: July 31, 2021 **M. No.: FCS-9429**

CIN: L74899DL1992PLC051527

**Regd. Office: D-90, Okhla Industrial Area,
Phase-I, New Delhi-110020**

NOTES:

1. In view of the outbreak of COVID-19 pandemic and its continuation in the current year, the Ministry of Corporate Affairs (the "MCA"), Government of India, has vide its General Circular No. 14/ 2020 dated April 08, 2020, General Circular No. 17/ 2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat

posed by Covid-19", General Circular No. 20/ 2020 dated May 05, 2020, in relation to "Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)" and General Circular No. 02/ 2021 dated January 13, 2021, in relation to "Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - Covid-19 pandemic" and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID -19 pandemic" (collectively referred to as "**SEBI Circulars**") have 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 applicable provisions of the Companies Act, 2013 (the "Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the "Rules"), as amended from time to time, read with the MCA Circulars, SEBI Circulars and pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Annual General Meeting ("AGM") of the Company is scheduled to be held on Wednesday, September 08, 2021, at 2:00 p.m. (IST) through VC/OAVM and the voting for items to be transacted in the Notice to this AGM is only through remote electronic voting process ("e-Voting"). The deemed venue for the 29th AGM will be at D-90, Okhla Industrial Area, Phase-1, New Delhi-110020.

2. At 25th AGM, M/s. Pawan Shubham and Co., Chartered Accountants (Firm Registration Number 011573C) were appointed as Statutory Auditors of the Company for a term of 5 years until the conclusion of 30th AGM of the Company.

The ratification of their appointment, pursuant to Section 139 of the Companies Act, 2013, is not

required, in terms of Notification No. S.O. 188 (E) dated May 07, 2018, issued by the Ministry of Corporate Affairs and accordingly, the item has not been included in the Ordinary Business of the Notice of Annual General Meeting.

3. Since this AGM is being held pursuant to the Circular issued by Ministry of Corporate Affairs having circular no. 20/2020 dated May 05, 2020 read alongwith MCA circular dated April 08, 2020, April 13, 2020 and January 13, 2021 and SEBI circular dated May 12, 2020 and January 15, 2021 this AGM is being held through VC / OAVM, where physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer at its email skbatrapcs@gmail.com with a copy marked to evoting@nsdl.co.in.
5. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or M/s. MAS Services Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
7. The Register of Members and Share Transfer Books will remain closed from September 02, 2021 to September 08, 2021 (both days inclusive).
8. Un-claimed / Unpaid Dividend for the Financial Year 2012-13 has been transferred to the Investor Education and Protection Fund established by the Central Government. Further, amount of Un-claimed / Un-paid Dividend for the Financial Year 2013-14 is due for deposit to the Investors Education and Protection Fund. Members are therefore requested to en-cash their dividend warrants for subsequent Financial Years.

Members are requested to write to the Company and/or Share Transfer Agents, alongwith copy of PAN and original cancelled cheque (in case not provided earlier), if any dividend warrant is due and pending to be paid so that unpaid dividend can be paid by the Company. Further, the Company has also transferred 7,941 Equity Shares of the Company to the Demat Account of Investor Education and Protection Fund held with NSDL and CDSL pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time for the FY 2012-13 in respect of which dividend has not been paid or claimed for seven consecutive years or more.

Further, the details of shareholders whose dividend and shares are transferred to Investor Education and Protection Fund are updated on the website of the Company www.kei-ind.com under Investor Relations Section.

Concerned shareholders may claim their shares or apply for refund of dividend to the IEPF Authority by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in

9. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020 and January 15, 2021 respectively, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.kei-ind.com under Investor Relations Section, 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 on the website of NSDL www.evoting.nsdl.com.
10. In terms of Article 113 of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013, Mrs. Archana Gupta (holding DIN:00006459) retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment and the re-appointment as such director shall not be deemed to constitute a break in her office.

The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued

by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.

11. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special businesses specified under Item No. 4 and Item No. 5 are annexed hereto.
12. All documents referred to in the Notice and accompanying Explanatory Statement, as well as the Annual Report, is open for inspection at the Registered Office of the Company on all working days during normal business hours up to the date of the Meeting.
13. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
14. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication(s) including Annual Report, Notices and Circulars etc. from the Company electronically. Members holding shares in physical form are requested to notify any change of address, bank mandates, if any, to the Registrar and Transfer Agent **M/s. MAS SERVICES LTD.**, T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020, Ph:- +91-11-26387281/82/83, Fax:- +91-11-26387384, E-mail:- info@masserv.com, website: www.masserv.com and/or the Company Secretary or to their respective depository participants if the shares are held in electronic form.
15. Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:-

Members having valid PAN	10% or as notified by the Government of India
Members not having PAN / valid PAN	20% or as notified by the Government of India.

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2020-21 does not exceed ₹ 5,000/- and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act.

Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable.

16. Members are entitled to nominate a person to whom his/her shares in the Company shall vest in the event of his/her demise, by filling up Form No. SH-13. The members are requested to avail of this facility. The duly filled in and signed Nomination Form No. SH-13 should be sent to the Registrar and Transfer Agents, M/s. MAS Services Limited at the address mentioned in point No. 14.
17. The Securities and Exchange Board of India vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and BSE Circular Ref. No. LIST/COMP/15/2018-19 dated July 05, 2018 and NSE Circular Ref. No. NSE/CML/2018/26 dated July 09, 2018, as modified by the Securities and Exchange Board of India vide its Circular No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 has amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which mandated that transfer of securities with effect from April 01, 2019 would be in dematerialized form only. Members holding shares in physical form are requested to take necessary steps with their respective Depository Participants to dematerialize their physical shares.
8. As per Regulation 12 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule I to the said Regulations, it is mandatory for all the Companies to use bank details furnished by the investors for distributing dividends, interests, redemption or repayment amounts to them through National/ Regional/ Local Electronic Clearing Services (ECS) or Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT), National Automated Clearing House (NACH) wherever ECS/ RTGS/ NEFT/ NACH and bank details are available. In the absence of electronic facility, Companies are required to mandatorily print bank details of the investors on 'payable-at-par' warrants or cheques for distribution of Dividends or other cash benefits to the investors. In addition to this, if bank details of investors are not available, Companies shall mandatorily print the address of the investor on such payment instruments. Therefore, Members holding shares in physical mode are requested to update their bank details with the Company or Registrar and Transfer Agent (RTA) immediately. Members holding shares in demat mode are requested to record / update the bank detail with their DPs concerned.
19. Members desiring any information on the accounts at the AGM are requested to write to the Company at least 7 days in advance, so as to enable the Company to keep the information ready.
20. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection in electronic mode. Members can inspect the same by sending an e-mail to cs@kei-ind.com.
21. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form shall submit their PAN details to the Company at its Registered Office or to the Registrar and Transfer Agent (RTA).

22. The recorded transcript of the forthcoming AGM on September 08, 2021, shall also be made available on the website of the Company in the investor relation section, as soon as possible after the meeting is over.

23. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

Instructions for e-voting and joining the AGM are as follows:

VOTING THROUGH ELECTRONIC MEANS

(a) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020, December 31, 2020 and January 13, 2021 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 e-voting on the day of the AGM will be provided by NSDL on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

(b) The remote e-voting period commences on Sunday, September 05, 2021 (9:00 a.m. IST) and ends on Tuesday, September 07, 2021 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Wednesday, September 01, 2021 i.e. cut off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

(c) The Board of Directors has appointed S.K. Batra & Associates (Membership No. FCS 7714), Practicing Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

(d) The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting on the date of the AGM and make, not later than 2 working days of the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or any person authorized by him in writing and the Results shall be declared by the Chairman or any person authorized by him thereafter.

(e) The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.kei-ind.com and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited, BSE Limited, and Calcutta Stock Exchange where the shares of the Company are listed.

(f) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

(g) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

(h) Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or info@masserv.com. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

(i) The instructions for members for remote e-Voting are as under:

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: Access to NSDL e-Voting system

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https:// eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https:// eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login, through their depository participants.	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type Helpdesk details	
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com> / with your existing IDEAS login. Once you log-in to NSDL e-services 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 DPID 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 1 2 * * * * * * * * * * 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 1*** and EVEN is 116700 then user ID is 1167000000001, if folio number is B-1 then user id is 116700B000001.

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. 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 with the depositories, for procuring user id and Password and for registration of email ID for e-Voting, please follow the steps mentioned below:
 - a) In case shares are held in physical mode please send signed request with Folio No., Name of Shareholder, scanned copy of the Share Certificate (front and back), self-attested copy of PAN Card, self-attested copy of Aadhar Card by email to info@masserv.com / cs@kei-ind.com with subject line "UPDATION OF EMAIL ID OF KEI INDUSTRIES LIMITED FOLIO NUMBER" (mention folio number).
 - b) In case shares are held in demat mode, please update your email id with your depository participant and send scan copy of latest client master by email to info@masserv.com / cs@kei-ind.com.
 - c) However if you are an individual shareholder you can generate your password as explain above in e-voting instructions.
 - d) In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are

required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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.

Step 2. 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.
2. Select "EVEN" 116700 (e-voting even number) of "KEI Industries Limited";
3. Now you are ready for e-Voting as Cast Vote page opens;
4. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted;
5. Upon confirmation, the message "Vote cast successfully" will be displayed;
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page;
7. Once you have voted on the resolution, you will not be allowed to modify your vote;

General guidelines for shareholders

- For the votes to be considered valid, the Institutional shareholders (other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution /Authority Letter etc. to the Scrutinizer through e-mail at skbatrapcs@gmail.com with a copy marked to evoting@nsdl.co.in. Members may contact Mr. Kishore Kunal, AVP (Corporate Finance) & Company Secretary for any grievances connected with electronic means / e-voting at the Registered Office of the Company at D-90, Okhla Industrial Area, Phase-I, New Delhi-110 020.
- 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 <https://www.evoting.nsdl.com> to reset the password.
- 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 Downloads section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30.

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

- Members will be able to attend the AGM through VC / OAVM by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.
- 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. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
- Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for 1000 Members on first come first served basis. However, this number does not include the large Shareholders i.e. 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.

- Members, who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-222-990 and our Registrar and Transfer Agent on info@masserv.com / 011-26387281-82-83.
- Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number & number of shares at cs@kei-ind.com before September 03, 2021 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

(j) Other Instructions:

- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 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.

**By Order of the Board of Directors
 For KEI INDUSTRIES LIMITED**

(Kishore Kunal)

Place: New Delhi **AVP (Corporate Finance) & Company Secretary**
Date: July 31, 2021 **M. No.: FCS-9429**
CIN: L74899DL1992PLC051527
Regd. Office: D-90, Okhla Industrial Area,
Phase-I, New Delhi-110020

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

ITEM NO. 4

At the 26th Annual General Meeting of the Company held on September 19, 2018, the members of the Company had approved re-appointment of Mr. Anil Gupta as Chairman-cum-Managing Director (CMD) of the Company for a period of 3 years with effect from July 01, 2018 to June 30, 2021. He has been on the Board of Directors of the Company since inception of the Company. He is B.Com and has about 40 years of experience in managing the Company, as a partner of erstwhile Krishna Electrical Industries thereafter as Chairman-cum-Managing Director of KEI INDUSTRIES LIMITED which has successfully set up manufacturing plants at Bhiwadi, Chopanki & Pathredi in Rajasthan and Rakholi & Chinchpada in Silvassa. Under his leadership, the Company has ventured into manufacturing of whole range of cables including Extra High Voltage (EHV) cables up to 400kV. He looks after the policies of marketing, production, quality control and product development. As CMD of the Company, he is responsible for motivating the team of professionals to implement management policies.

Subject to the shareholder's approval, Nomination & Remuneration Committee and the Board of Directors at their meeting held on May 29, 2021 have re-appointed Mr. Anil Gupta, as Chairman-cum-Managing Director of the Company for a period of three years with effect from **July 1, 2021 to June 30, 2024** on the terms and conditions set out in the resolution under Item No. 4.

Re-appointment of Mr. Anil Gupta, as Chairman-cum-Managing Director (CMD) of the Company and remuneration payable to him requires the approval of the members of the Company under Section 196 and 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013. The Board/Committee consider that the re-appointment of Mr. Anil Gupta and remuneration payable to him is commensurate with his duties and responsibilities as the Chairman-cum-Managing Director of the Company.

Therefore, the Ordinary Resolution at Item No. 4 is placed before the members for their approval.

The Ordinary Resolution proposed to be passed is an enabling resolution, permitting the Company to pay the fixed remuneration even during absence or inadequacy of profits in any financial year, in compliance with provisions of Section 197 read with Schedule V to the Companies Act, 2013.

Mr. Anil Gupta has given consent letter in Form DIR-2, intimation in Form DIR-8 to the effect that they are not disqualified u/s 164(2) of the Companies Act, 2013 to act as a Director(s) and intimation to the effect that they are not disqualified from being appointed as a Director(s) of a listed entity by virtue of any SEBI order or any such authority, as per instructions given by SEBI and circulated to the Companies by BSE vide its circular No. LIST/COMP/14/2018-19 and NSE vide its circular Ref No. NSE/CML/2018/24 dated June 20, 2018 respectively.

Except Mr. Anil Gupta, Mrs. Archana Gupta and Mr. Akshit Diviaj Gupta being directors, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the passing of resolution set out at Item No. 4 of the Notice.

This may be regarded as an abstract of Mr. Anil Gupta's terms of re-appointment and remuneration payable to him as CMD of the Company and Memorandum of interest under Section 190 of the Companies Act, 2013.

Accordingly, the Board/Committee recommends the resolution as set out in Item No. 4 of Notice for approval of the members.

ITEM NO. 05

M/s. S. Chander & Associates, Cost Accountants, were re-appointed as Cost Auditors of the Company by the Board of Directors on the recommendation of the Audit Committee, to audit the cost records maintained by the Company in connection with manufacture of Electrical Cables, Wires and Stainless Steel Wires for the Financial Year ending March 31, 2022 at a remuneration of ₹ 3,75,000/- excluding Goods and Service Tax as applicable thereon and reimbursement of travelling and other incidental expenses that may be incurred for the purpose.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors as approved by the Board of Directors/ Audit Committee, is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2022.

None of the Directors/ Key Managerial Personnel of the Company /their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Accordingly, the Board/Committee recommends the resolution as set out in Item No. 5 of Notice for approval of the members.

**By Order of the Board of Directors
For KEI INDUSTRIES LIMITED**

(Kishore Kunal)

Place: New Delhi AVP (Corporate Finance) & Company Secretary
Date: July 31, 2021 **M. No.: FCS-9429**

CIN: L74899DL1992PLC051527

**Regd. Office: D-90, Okhla Industrial Area,
Phase-I, New Delhi-110020**

PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015 AND SECRETARIAL STANDARD - 2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI), INFORMATION ABOUT THE DIRECTOR PROPOSED TO BE RE- APPOINTED/ APPOINTED UNDER ITEM NO. 3 AND 4 IS FURNISHED AS BELOW:

ITEM NO. 3 & 4

Name of Director	Mrs. Archana Gupta (holding DIN:00006459)	Mr. Anil Gupta (holding DIN:00006422)
Date of Birth	23.07.1961	24.05.1959
Date of First Appointment	31.01.2005	31.12.1992
No. of Equity Shares held as on 31.07.2021 (face value of ₹ 2/- each)	8,37,315 Equity Shares of face value of ₹ 2/- each	1,26,85,460 Equity Shares of face value of ₹ 2/- each 46,50,375 Equity Shares of face value of ₹ 2/- each as Karta of Anil Gupta HUF.
Qualification	B.A (Hons)	B.Com
Nature of Expertise	She has played a pivotal role in transforming the Stainless Steel Wires Division at KEI. She has been instrumental in the expansion of this division and in defining the functional ambit and footprint of KEI. Under her able management, KEI's Stainless Steel Wires vertical has grown to become of the most trusted names in the stainless steel wires industry in India. Mrs. Gupta plays a principal role in the planning, organizing, and optimizing resources for the Stainless Steel Wires Division of KEI.	He is B.Com and has about 40 years of experience in managing KEI Industries Limited. He looks after the policies of marketing, production, quality control and product development.
Relationship with other Director(s)	Mr. Anil Gupta, Chairman-cum-Managing Director (holding DIN: 00006422) is spouse of Mrs. Archana Gupta. Further, Mr. Akshit Diviaj Gupta, Director (holding DIN: 07814690) on the Board is son of Mrs. Archana Gupta	Mr. Akshit Diviaj Gupta, Director (holding DIN: 07814690) on the Board is son of Mr. Anil Gupta, Chairman-cum-Managing Director (holding DIN: 00006422). Further, Mrs. Archana Gupta, Director (holding DIN: 00006459) on the Board is spouse of Mr. Anil Gupta, Chairman-cum-Managing Director (holding DIN: 00006422).
Name of Listed Companies in which he holds Directorship	KEI Industries Limited	KEI Industries Limited
Name of Committees of Listed Companies in which he is Chairman/ Member	KEI Industries Limited -Finance Committee (Member)	KEI Industries Limited -Finance Committee (Chairman) -Share Allotment Committee (Member) -Corporate Social Responsibility Committee(Member) -Risk Management Committee (Chairman) -Qualified Institutions Placement Committee – (Chairman)
Number of Meetings of the Board attended during the FY 2020-21	Five (5)	Five (5)

KYC FORM
(Only for physical shareholding)

Date: ____/____/____

To,
The Secretarial Department
KEI INDUSTRIES LIMITED
D-90, Okhla Industrial Area,
Phase-1, New Delhi-110020

To,
Mas Services Limited
T-34, 2nd Floor, Block T Okhla Industrial Estate,
Phase 2 Road, New Delhi - 110020

Folio No: _____

No of Shares: _____

Dear Sir/ Madam,

We wish to update the KYC and in this matter are forwarding herewith the required supporting documents by ticking in the appropriate checkbox below

A For registering PAN of the registered and/ or joint shareholders (as applicable)

☐ Registered shareholder ☐ Joint holder 1 ☐ Joint holder 2 ☐ Joint holder 3

Please attach self- attested legible copy of PAN card (exempted for Sikkim Shareholders).

B For registering Bank details of the registered shareholder

1. In cases wherein the original cancelled cheque leaf has the shareholder's name printed

☐ Aadhar/ Passport/ utility bill ☐ Original cancelled cheque leaf

2. In cases wherein the cancelled cheque leaf does NOT contain the shareholder's name printed on it

☐ Aadhar/ Passport/ Utility bill ☐ Original cancelled cheque leaf ☐ Bank Passbook/ Bank Statement

Please note that bank passbook/ Bank Statement should be duly attested by the officer of the same bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

C For updating the Specimen Signature of the registered and/ or joint shareholders

1. In cases wherein the original cancelled cheque leaf has the shareholder's name printed

☐ Affidavit ☐ Banker verification ☐ Original cancelled cheque leaf

2. In cases wherein the cancelled cheque leaf does NOT contain the shareholder's name printed on it

☐ Affidavit ☐ Banker verification ☐ Original cancelled cheque leaf ☐ Bank Passbook/ Bank Statement

- The format of Banker Verification is available on the website of the Company www.kei-ind.com under investor relations section.
- Please note that Bank passbook/ Bank Statement should be duly attested by the officer of the same bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

D For Updating the email id for the purpose of receiving all communications in electronic mode

E For updating the Mobile No

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I /We hereby state that the above mentioned details are true and correct and we consent towards updating the particulars based on the self-attested copies of the documents enclosed with this letter by affixing my/our signature(s) to it

Sign: _____
Registered holder

Sign: _____
Joint holder 1

Sign: _____
Joint holder 2

Sign: _____
Joint holder 3



KEI INDUSTRIES LIMITED

CIN: L74899DL1992PLC051527

Corporate & Registered Office:

D-90, Okhla Industrial Area, Phase - I, New Delhi - 110 020

Ph: +91-11-26818840/8642, Fax: +91-11-26811959/7225

Email: cs@kei-ind.com



www.kei-ind.com