

Price Waterhouse Chartered Accountants LLP

Independent auditor's report

To the Members of Ring Plus Aqua Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Ring Plus Aqua Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

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

Emphasis of Matter

4. We draw attention to note 47 to the financial statements, which explains the uncertainties and the management's assessment of the financial impact due to restrictions and other conditions related to the COVID-19 pandemic situation (including second wave), for which a definitive assessment of the impact in the subsequent period is dependent upon circumstances as they evolve. Our opinion is not qualified in respect of the matter.



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Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

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Report on the audit of the Standalone Financial Statements

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Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are



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considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
11. 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.

Report on other legal and regulatory requirements

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



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Ring Plus Aqua Limited

Report on the audit of the Standalone Financial Statements

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13. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its financial statements – Refer Note 39 to the financial statements.
 - ii. The Company has long-term contracts including derivative contracts as at March 31, 2021 for which there were no material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

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14. 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.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Arunkumar Ramdas
Partner

Membership Number : 112433
UDIN: 21112433AAAACC2124

Place: Mumbai
Date: May 3, 2021

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 13(f) of the Independent Auditors' Report of even date to the members of Ring Plus Aqua Limited on the financial statements for the year ended March 31, 2021.

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Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

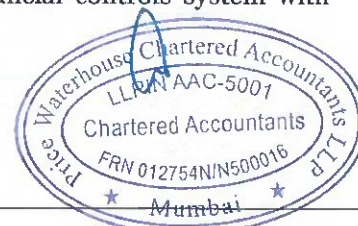
1. We have audited the internal financial controls with reference to financial statements of Ring Plus Aqua Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 with reference to financial statements.



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Price Waterhouse Chartered Accountants LLP

Referred to in paragraph 13(f) of the Independent Auditors' Report of even date to the members of Ring Plus Aqua Limited on the financial statements for the year ended March 31, 2021.

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Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 21112433AAAACC2124

Place: Mumbai
Date: May 3, 2021

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Ring Plus Aqua Limited on the financial statements as of and for the year ended March 31, 2021.

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- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.
(b) The property, plant and equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been 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(a) on property, plant and equipment to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory have 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.
- iii. The Company has not granted any loans, secured or unsecured companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- 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 by it. The Company has not provided any guarantees or security to the parties covered under Section 185 and 186 of the Companies Act, 2013.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub section (1) of Section 148 of the Act for any of the products of the Company.
- vii. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of employees' state insurance, though there has been slight delay in few cases, and is regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 39 to the financial statements regarding management's assessment on certain matters relating to provident fund.

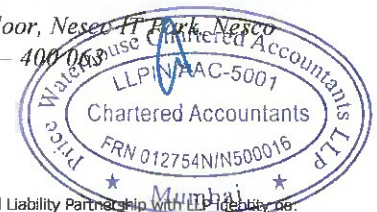
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service-tax, duty of customs, and duty

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Price Waterhouse Chartered Accountants LLP

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of excise or value added tax or goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax and sales tax as at March 31, 2021 which have not been deposited on account of a dispute, are as follows:

| Name of the statute | Nature of dues | Amount (Rs. in lakhs) | Period to which the amount relates | Forum where the dispute is pending |
|---------------------------------|----------------|-----------------------|------------------------------------|---|
| The Income Tax Act, 1961 | Income Tax | 14.26 | Assessment year 2011-12 | Joint Commissioner of Income Tax |
| The Central Sales Tax Act, 1956 | Sales Tax | 2.72 | Financial Year 1990-00 | Assistant Commissioner of Sales Tax Appeals, Pune |
| The Central Sales Tax Act, 1956 | Sales Tax | 37.17 | Financial Year 2014-15 | Joint Commissioner of Sales Tax (Appeals) |
| The MVAT Act, 2002 | Sales Tax | 847.41 | Financial Year 2015-16 | Joint Commissioner of Sales Tax (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. Further, the Company has not issued any debentures and hence, the question of default does not arise.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- 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, 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 any 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. Also refer Paragraph 14 of the main audit report.
- 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



Price Waterhouse Chartered Accountants LLP

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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.

- 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.
- 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 Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 21112433AAAACC2124

Place: Mumbai
Date: May 3, 2021

RING PLUS AQUA LIMITED

Balance Sheet as at March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

| Particulars | | Note | March 31, 2021 | March 31, 2020 |
|-------------|---|------|------------------|------------------|
| I | ASSETS | | | |
| 1 | Non-current Assets | | | |
| | (a) Property, Plant and Equipment | 3(a) | 8,035.68 | 8,884.94 |
| | (b) Right-of-use asset | 3(b) | 85.54 | 86.52 |
| | (c) Capital work - in - progress | | 2.80 | 5.51 |
| | (d) Other Intangible assets | 4 | 3.88 | 7.59 |
| | (e) <u>Financial Assets :</u> | | | |
| | (i) Investments | 5 | 8.61 | 8.22 |
| | (ii) Loans | 6 | 20.02 | 23.05 |
| | (f) Non-Current Tax Assets (Net) | | - | 363.44 |
| | (g) Other non - current assets | 8 | 154.18 | 257.65 |
| | Total Non-Current Assets | | 8,310.71 | 9,636.92 |
| 2 | Current assets | | | |
| | (a) Inventories | 9 | 4,917.51 | 3,305.40 |
| | (b) <u>Financial Assets :</u> | | | |
| | (i) Current investments | 10 | 1,300.59 | 1,597.43 |
| | (ii) Trade receivables | 11 | 3,509.91 | 3,097.74 |
| | (iii) Cash and Bank Balances | 12 | 221.35 | 402.88 |
| | (iv) Loans | 13 | 5,000.00 | 1,500.00 |
| | (v) Other current financial assets | 14 | 36.23 | 60.05 |
| | (c) Other current assets | 15 | 787.55 | 590.21 |
| | Total Current Assets | | 15,773.14 | 10,553.71 |
| | TOTAL ASSETS | | 24,083.85 | 20,190.63 |
| II | EQUITY AND LIABILITIES | | | |
| 1 | Equity | | | |
| | a) Equity share capital | 16 | 775.67 | 775.67 |
| | b) Other Equity | 17 | 14,723.14 | 12,456.37 |
| | Total Equity | | 15,498.81 | 13,232.04 |
| 2 | Non-current liabilities | | | |
| | (a) <u>Financial Liabilities</u> | | | |
| | - Borrowings | 18 | 9.69 | 35.53 |
| | (b) Non-Current Tax Liability (Net) | | 36.79 | - |
| | (c) Deferred tax liabilities (Net) | 7 | 331.77 | 504.39 |
| | Total Non Current Liabilities | | 378.25 | 539.92 |
| 3 | Current liabilities | | | |
| | (a) <u>Financial Liabilities</u> | | | |
| | (i) Borrowings | 19 | 1,050.22 | 1,201.86 |
| | (ii) Trade Payables | 20 | - | - |
| | (I) Total outstanding dues of micro and small enterprises | | - | - |
| | (II) Total outstanding dues other than (ii)(I) | | 5,366.69 | 3,747.66 |
| | (iii) Other Financial Liabilities | 21 | 646.52 | 550.35 |
| | (b) Other current liabilities | 22 | 618.15 | 537.24 |
| | (c) Provisions | 23 | 525.21 | 381.56 |
| | Total Current Liabilities | | 8,206.79 | 6,418.67 |
| | Total Liabilities | | 8,585.04 | 6,958.59 |
| | TOTAL EQUITY AND LIABILITIES | | 24,083.85 | 20,190.63 |

The accompanying notes are an integral part of these financial statements

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As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016


Arunkumar Ramdas
Partner
Membership No. 112433

For and on behalf of Board of Directors


V. Balasubramanian
Executive Director
DIN : 05222476


Ganesh Kumar Subramanian
Director
DIN : 00088163


Suresh Maheshwari
Chief Financial Officer


Reshma Ramchandani
Company Secretary

Place : Mumbai
Date : May 03, 2021

RING PLUS AQUA LIMITED

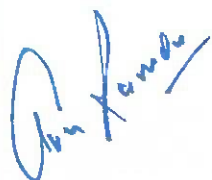
Statement of Profit and Loss for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

| Particulars | | Note | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|---|---|---------|--------------------------------------|--------------------------------------|
| I | Income | | | |
| | Revenue from Operations | 24 | 19,731.59 | 20,822.85 |
| | Other Income | 25 | 637.82 | 251.35 |
| | Total Income | | 20,369.41 | 21,074.20 |
| II | Expenses | | | |
| | Cost of raw materials consumed | 26 | 7,565.57 | 6,892.27 |
| | Changes in inventories of finished goods and work-in progress | 27 | (975.70) | 646.51 |
| | Employee benefits expense | 28 | 2,558.43 | 3,022.47 |
| | Finance costs | 29 | 87.61 | 57.35 |
| | Depreciation and amortization expense | 30 | 1,086.14 | 1,001.15 |
| | Other Expenses : | | | |
| | (a) Manufacturing and Operating Costs | 31 | 5,271.58 | 5,308.74 |
| | (b) Other expenses | 32 | 1,918.17 | 1,608.22 |
| | Total expenses | | 17,511.80 | 18,536.71 |
| III | Profit before tax | | 2,857.61 | 2,537.49 |
| IV | Income Tax expense | | | |
| | Current tax | 7 | 768.45 | 555.87 |
| | Deferred tax | | (158.48) | 174.80 |
| | Tax in respect of earlier years | | (3.99) | 8.57 |
| | Total Tax Expense | | 605.98 | 739.24 |
| V | Profit for the year (III - IV) | | 2,251.63 | 1,798.25 |
| VI | Other Comprehensive Income | | | |
| | Items that will not be reclassified to profit or loss | | | |
| | Remeasurements of post-employment benefit obligations | 43 | (56.22) | 10.88 |
| | Tax Impact on above | 7 | (14.15) | 3.17 |
| | Other Comprehensive Income | | (42.07) | 7.71 |
| VII | Total Comprehensive Income for the year (V + VI) | | 2,209.56 | 1,805.96 |
| VIII | Earnings per equity share of Rs. 10 each : | | | |
| | Basic (in Rs.) | 37 | 29.03 | 23.18 |
| | Diluted (in Rs.) | | 28.62 | 22.88 |
| The accompanying notes are an integral part of these financial statements | | 1 to 48 | | |

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

For and on behalf of Board of Directors



Arunkumar Ramdas
Partner
Membership No. 112433



V. Balasubramanian
Executive Director
DIN : 05222476



Ganeshkumar Subramanian
Director
DIN : 00088163



Suresh Maheshwari
Chief Financial Officer



Reshma Ramchandani
Company Secretary

Place : Mumbai
Date : May 03, 2021

RING PLUS AQUA LIMITED

Statement of Cash Flow for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

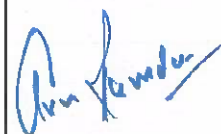
| Particulars | For the Year ended March 31, 2021 | | For the Year ended March 31, 2020 | |
|--|--------------------------------------|-------------------|--------------------------------------|-------------------|
| A. Cash Flow from Operating Activities | | | | |
| Profit before tax as per statement of profit and loss | | 2,857.61 | | 2,537.49 |
| Adjustments for : | | | | |
| Depreciation and Amortisation Charge | 1,086.14 | | 1,001.15 | |
| Provision for Doubtful Debts Deposits | - | | 8.46 | |
| Remeasurement of Defined Benefit Plan | (56.22) | | 10.88 | |
| Employee benefit expense (ESOP) | 57.21 | | 60.00 | |
| (Profit)/Loss on sale of Property, Plant and Equipment | (9.48) | | (1.42) | |
| Profit on Sale of Current Investments | (64.47) | | (42.48) | |
| Dividend Income | - | | (0.04) | |
| Liability no longer required | (37.29) | | (15.58) | |
| Interest Income | (217.95) | | (66.37) | |
| Finance Cost | 87.61 | | 57.35 | |
| Net (Gain)/Loss on Fair Valuation of Investments through profit and loss | (4.93) | | (38.54) | |
| | | 840.62 | | 973.41 |
| Operating Cash Profit before Working Capital Changes | | 3,698.23 | | 3,510.90 |
| Add/(Deduct) : | | | | |
| (Increase)/Decrease in Inventories | (1,612.11) | | 1,282.22 | |
| (Increase)/Decrease in Trade and Other Receivables | 40.39 | | 1,258.07 | |
| Increase/(Decrease) in Trade and Other Payables | 1,930.21 | | (1,610.69) | |
| Increase/(Decrease) in Provisions | 143.65 | | 52.71 | |
| | | 502.14 | | 982.31 |
| | | 4,200.37 | | 4,493.21 |
| Less : Taxes Paid (Net) | | 752.93 | | 507.77 |
| Net Cash Inflow from Operating Activities | | 3,447.44 | | 3,985.44 |
| B. Cash Flow from Investing Activities | | | | |
| Payments for Property, Plant & Equipment & Intangible Assets | (318.54) | | (1,342.74) | |
| Receipts on Sale of Property, Plant & Equipments | 103.69 | | 3.55 | |
| Receipt of Loan Given | 1,500.00 | | - | |
| Receipt of Redemption of Current Investment | 6,223.71 | | 1,500.00 | |
| Loan given to Related party | (5,000.00) | | (1,500.00) | |
| Payment for Purchase of Current Investments | (5,907.47) | | (2,301.00) | |
| Dividend Received | - | | 0.04 | |
| Net Cash Outflow from Investing Activities | | (3,398.61) | | (3,640.15) |
| C. Cash Flow from Financing Activities | | | | |
| Repayment of Non-current Borrowings | (25.84) | | (59.22) | |
| Proceeds/(Repayment) of Current Borrowings | (166.91) | | 142.86 | |
| Interest Paid | (87.61) | | (57.35) | |
| Net Cash Outflow / Inflow from Financing Activities | | (280.36) | | 26.29 |
| Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C) | | (231.53) | | 371.58 |
| Add: Balance at the beginning of the financial Year | | 402.88 | | 31.30 |
| Cash and Cash Equivalents as at the end of the Year | | 171.35 | | 402.88 |

| Reconciliation of Cash and Cash Equivalents as per Cash Flow Statement | For the Year ended March 31, 2021 | | For the Year ended March 31, 2020 | |
|--|--------------------------------------|---------------|--------------------------------------|---------------|
| Cash and Cash Equivalent as per above comprise of the following | | | | |
| Cash and Bank Balances | | 221.35 | | 402.88 |
| Deposits with maturity more than three months | | (50.00) | | - |
| Cash and Cash Equivalents | | 171.35 | | 402.88 |

The accompanying notes are an integral part of these financial statements 1 to 48

The Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cashflows.

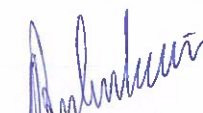
As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016



Arunkumar Ramdas
Partner
Membership No. 112433

Place : Mumbai
Date : May 03, 2021

For and on behalf of Board of Directors



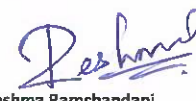
V. Balasubramanian
Executive Director
DIN : 05222476



Ganeshkumar Subramanian
Director
DIN : 00088163



Sitesh Maheshwari
Chief Financial Officer



Reshma Ramchandani
Company Secretary

RING PLUS AQUA LIMITED

Statement of Changes in Equity for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

A. EQUITY SHARE CAPITAL

| Particulars | Note No. | Amount |
|----------------------|----------|--------|
| As at March 31, 2019 | | 775.67 |
| As at March 31, 2020 | 16 | 775.67 |
| As at March 31, 2021 | | 775.67 |

B. OTHER EQUITY

| Particulars | Note No. | Reserves and Surplus | | | | | Total |
|--|----------|-----------------------------------|--------------------|-----------------------------------|-------------------|------------------|------------------|
| | | Capital Reserve (On Amalgamation) | Securities Premium | Share Options outstanding Account | Retained Earnings | General Reserves | |
| As at March 31, 2019 | 17 | 610.35 | 993.60 | - | 8,705.74 | 280.72 | 10,590.41 |
| Profit for the year | | | | | 1,798.25 | | 1,798.25 |
| Other Comprehensive Income for the year (Net of tax) | | - | - | - | 7.71 | - | 7.71 |
| Employee Stock Option Plan Expenses | | - | - | 60.00 | - | - | 60.00 |
| As at March 31, 2020 | 17 | 610.35 | 993.60 | 60.00 | 10,511.70 | 280.72 | 12,456.37 |
| Profit for the year | | - | - | - | 2,251.63 | - | 2,251.63 |
| Other Comprehensive Income for the year (Net of tax) | | - | - | - | (42.07) | - | (42.07) |
| Employee Stock Option Plan Expenses | 17 | - | - | 57.21 | - | - | 57.21 |
| As at March 31, 2021 | | 610.35 | 993.60 | 117.21 | 12,721.26 | 280.72 | 14,723.14 |

As per our attached Report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016



Arunkumar Ramdas

Partner

Membership No. 112433

For and on behalf of Board of Directors



V. Balasubramanian

Executive Director

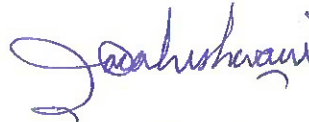
DIN : 05222476



Ganeshkumar Subramanian

Director

DIN : 00088163



Suresh Maheshwari

Chief Financial Officer



Reshma Ramchandani

Company Secretary

Place : Mumbai

Date : May 03, 2021

RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES :

I. Background and Operations

Ring Plus Aqua Limited ('RPAL' or 'the Company'), CIN : U99999MH1986PLC040885, headquartered in Mumbai, Maharashtra, India, carries on business of manufacturing and exporting Ring Gears, Flexplates, Water Pump Bearings, machined components both for auto and non-auto sector. Scissors Engineering Products Limited is holding company of RPAL holding 89.07% capital of the Company.

II. Basis of preparation of financial statements

The accounting policies are applied consistently to all the periods presented in the financial statements.

III. Significant accounting policies

(a) Basis of preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements comply in all material aspects with the Indian Accounting Standards notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities (including derivative instruments) that is measured at fair value;
- 2) defined benefit plans - plan assets measured at fair value;
- 3) share based payments

(iii) New and Amended standards adopted by the Company

The company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 01-Apr-20 :

- Definition of Material – amendments to Ind AS 1 and Ind AS 8

The amendment listed above did not have any impact on the amount recognised in prior period and are not expected to significantly affect the current or future period.

(iv) Current non-current classification

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

(v) Rounding of amounts

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

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method, over the estimated useful lives of assets. (Leasehold land is amortised over of period lease). Leasehold improvements are amortised over the period of lease or estimated useful lives which ever is lower.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery which based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Intangible assets

Computer software

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

Amortisation method

The Company amortizes computer software with a useful life using the straight-line method over the period of 3 years from the date of acquisition.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit

(e) Leases

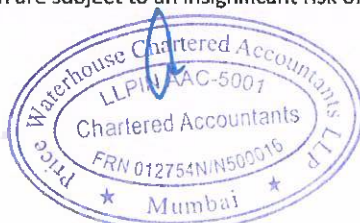
The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been presented in the Balance Sheet as a part of Property, plant and equipment and lease payments have been classified as financing cash flows.

(f) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

(g) Trade receivables

Trade receivables are recognised at the value of sales less provision for impairment.

(h) Inventories

Inventories of Raw Materials, Goods in transit, Work-in-Progress, Stores and spares and Finished Goods are stated 'at cost or net realisable value, whichever is lower'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formula used is 'Weighted Average cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company.

(i) Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

- * those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- * those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value . Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

* **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

* **Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:

The company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Income recognition

- Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

- Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(j) Derivative financial instruments

Derivative financial instruments such as forward currency contracts, option contract and cross currency swap, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(k) Borrowings

Borrowings are initially recognised at net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(l) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to revenue.

(m) Provisions and contingent liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

A contingent asset is disclosed, where an inflow of economic benefits is probable. A contingent asset is not recognised unless the recovery is virtually certain.

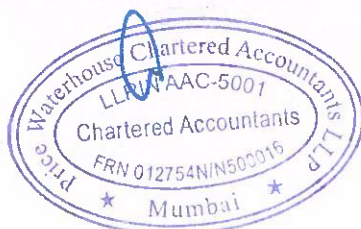
(n) Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. The control of the products and services were transfer at a time.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below.

Sale of goods -

Sales are recognised when the control of the goods has transferred when the goods are delivered to customer and there is no unfulfilled



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

Sales Return -

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

Other operating revenue - Export incentives -

Export Incentives under the, "Duty Draw back Scheme", "Merchandise Export from India Scheme" etc. is accounted in the year of export.

(o) Employee benefits

(i) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

(ii) Post-employment obligations

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in the Statement of Profit and Loss as past service cost.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss Account as incurred.

Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b) when the company recognises costs for restructuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(p) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(q) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(r) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(s) Share Based Payments

Expenses relating to Share Based payments such as Equity Share Option Plan (ESOP) are recognised based on Black Schole method and are shown as Shares Option Outstanding Account in Equity and in Employee Benefit Cost under Statement of Profit and Loss in accordance with provisions of IND AS 102. The expenses relating to Share based payments will be subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss and the Shares Option Outstanding Account on yearly basis. The Share Based payments reserve will be transferred to Equity Shares on the allotment of the ESOP and balance may be transferred to General Reserve or Securities Premium accordingly.

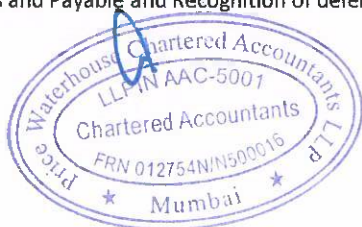
2 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgement are:

- Estimation of Defined benefit obligation (Refer Note 43).
- Estimation of current tax expenses and Payable and Recognition of deferred tax assets for carried forward tax losses (Refer Note 7).



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

3(a) Property, Plant and Equipment

| Particulars | Leasehold Land | Buildings | Plant & Equipment | Furniture & Fixtures | Vehicles | Office Equipment | Computers | Total | Capital Work-In-Progress |
|--|----------------|-----------|-------------------|----------------------|----------|------------------|-----------|-----------|--------------------------|
| Gross Carrying Amount : | | | | | | | | | |
| As at March 31, 2019 | 91.08 | 816.48 | 6,269.45 | 56.97 | 558.28 | 129.43 | 74.32 | 7,996.01 | 2,808.12 |
| Reclassification as 'Rights of use Assets' | (91.08) | - | - | - | - | - | - | (91.08) | - |
| Additions | - | 1,275.17 | 2,389.66 | 12.76 | 508.36 | 131.62 | 49.19 | 4,366.76 | 1,630.81 |
| Capitalised | - | - | - | - | - | - | - | - | 4,433.42 |
| Disposals | - | - | 0.09 | 0.09 | - | 0.90 | 2.07 | 3.15 | - |
| As at March 31, 2020 | - | 2,091.65 | 8,659.02 | 69.64 | 1,066.64 | 260.15 | 121.44 | 12,268.54 | 5.51 |
| Reclassification as 'Rights of use Assets' | - | - | - | - | - | - | - | - | - |
| Additions | - | - | 128.17 | 0.32 | 185.03 | 11.99 | 0.89 | 326.40 | 323.69 |
| Capitalised | - | - | - | - | - | - | - | - | 326.40 |
| Disposals | - | - | 54.72 | - | 87.58 | 6.89 | - | 149.19 | - |
| As at March 31, 2021 | - | 2,091.65 | 8,732.47 | 69.96 | 1,164.09 | 265.25 | 122.33 | 12,445.75 | 2.80 |
| Accumulated Depreciation : | | | | | | | | | |
| As at March 31, 2019 | 3.59 | 94.08 | 1,907.08 | 33.56 | 273.46 | 47.19 | 45.60 | 2,404.56 | - |
| Reclassification as 'Rights of use Assets' | (3.59) | - | - | - | - | - | - | (3.59) | - |
| Depreciation charge for the year | - | 64.48 | 749.72 | 7.12 | 107.79 | 33.15 | 21.38 | 983.64 | - |
| Disposals | - | - | - | - | - | 0.16 | 0.85 | 1.01 | - |
| As at March 31, 2020 | - | 158.56 | 2,656.80 | 40.68 | 381.25 | 80.18 | 66.13 | 3,383.60 | - |
| Depreciation charge for the year | - | 69.09 | 757.71 | 6.53 | 189.07 | 38.17 | 20.88 | 1,081.45 | - |
| Disposals | - | - | 32.66 | - | 16.72 | 5.60 | - | 54.98 | - |
| As at March 31, 2021 | - | 227.65 | 3,381.85 | 47.21 | 553.60 | 112.75 | 87.01 | 4,410.07 | - |
| Net Carrying Amount : | | | | | | | | | |
| As at March 31, 2020 | - | 1,933.09 | 6,002.22 | 28.96 | 685.39 | 179.97 | 55.31 | 8,884.94 | 5.51 |
| As at March 31, 2021 | - | 1,864.00 | 5,350.62 | 22.75 | 610.49 | 152.50 | 35.32 | 8,035.68 | 2.80 |

Notes:

- A. For information on Property, Plant and Equipment offered as security by the Company, Refer note 38.
B. Refer note 40 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

3(b) Leases

- (i) This notes provides information for lease where the Company is a lessee. The Company has leasehold factory land and leases office premises. Rental contract for office are typically made for fixed period of 12 months. There are no leases where Company is lessor.

Amount recognised in Balance Sheet

The balance sheet shows the following amounts relating to leases:

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|-----------------|----------------------|----------------------|
| Lease hold Land | 85.54 | 86.52 |
| Total | 85.54 | 86.52 |

Additions to Right of Use Assets during the financial year were Rs. Nil (previous year Rs. Nil)

Lease liabilities:

Lease liabilities: In case of leasehold land, upfront lease premium had been paid at the time of execution of the lease deed, hence there are no future lease liabilities.

(ii) Amount recognised in the statement of profit and loss.

The statement of profit and loss shows the following amount relating to lease :

| Particulars | Note | Year ended March 31, 2021 | Year ended March 31, 2020 |
|--|------|---------------------------|---------------------------|
| Depreciation charge of Right-of-use assets | 30 | 0.98 | 0.97 |
| Total | | 0.98 | 0.97 |

| Particulars | Note | Year ended March 31, 2021 | Year ended March 31, 2020 |
|--|------|---------------------------|---------------------------|
| Expense relating to short-term leases (included in other expenses) | 32 | 15.56 | 15.56 |
| Total | | 15.56 | 15.56 |

(iii) Extension and termination options:

Extension and termination options are included in property lease. These are used to maximise operational flexibility in terms of managing the assets used in the company operations. The extension and termination options held are exercisable with mutual agreement between the company and respective lessor.



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

4 Intangible assets

| Particulars | Computer Software |
|----------------------------------|-------------------|
| Gross Carrying Amount | |
| As at March 31, 2019 | 79.88 |
| Additions | 10.24 |
| As at March 31, 2020 | 90.12 |
| Additions | - |
| As at March 31, 2021 | 90.12 |
| Accumulated Amortisation | |
| As at March 31, 2019 | 65.99 |
| Amortisation charge for the year | 16.54 |
| As at March 31, 2020 | 82.53 |
| Amortisation charge for the year | 3.71 |
| As at March 31, 2021 | 86.24 |
| Net Carrying Amount | |
| As at March 31, 2020 | 7.59 |
| As at March 31, 2021 | 3.88 |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

5 Investments

| Particulars | March 31, 2021 | | March 31, 2020 | |
|--|----------------|-------------|----------------|-------------|
| | No. of Units | Amount | No. of Units | Amount |
| Equity instruments - Unquoted | | | | |
| Fair value through profit or loss | | | | |
| SICOM Limited (Equity Shares of Rs.10 each) | 10,000 | 7.91 | 10,000 | 7.52 |
| Saraswat Co-operative Bank Limited (Equity Shares of Rs.10 each) | 7,000 | 0.70 | 7,000 | 0.70 |
| Trinity Auto Component Limited (Equity Shares of Rs.10 each) | 4,21,000 | 42.10 | 4,21,000 | 42.10 |
| Less : Provision for diminution in the value of investments | | (42.10) | | (42.10) |
| Total | | 8.61 | | 8.22 |

| | | |
|--|---------|---------|
| Aggregate amount of unquoted investments | 50.71 | 50.32 |
| Aggregate amount of impairment in value of investments | (42.10) | (42.10) |

6 Loans :

| Particulars | March 31, 2021 | March 31, 2020 |
|---------------------------|----------------|----------------|
| Security Deposits | | |
| Unsecured-considered Good | 20.02 | 23.05 |
| Total | 20.02 | 23.05 |

Break-up of Security details :

| Particulars | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Security Deposits considered good - Secured | - | - |
| Security Deposits considered good - Unsecured | 20.02 | 23.05 |
| Security Deposits which have significant increase in credit risk | - | - |
| Security Deposits - credit impaired | - | - |
| Total | 20.02 | 23.05 |
| Less: Allowance for doubtful Security Deposits | - | - |
| Total Security Deposits | 20.02 | 23.05 |



7 Income Taxes

Tax expense recognized in the Statement of Profit and Loss

| Particulars | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Current tax | 768.45 | 555.87 |
| Deferred tax | (158.48) | 174.80 |
| <u>Tax in respect of Earlier years</u> | | |
| - Current Tax | - | (60.05) |
| - Deferred Tax | (3.99) | 68.62 |
| Total income tax expense | 605.98 | 739.24 |

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

| Reconciliation of effective tax rate | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Profit before tax | 2,857.61 | 2,537.49 |
| Tax Expense Recognised in Statement of Profit and Loss | 605.98 | 739.24 |
| Enacted income tax rate in India | 25.168% | 29.120% |
| Computed Expected Tax Expense | 719.20 | 738.92 |
| <u>Add :</u> | | |
| Re-assessment of unrecognised deferred tax asset on tax losses | - | (25.21) |
| Change in tax rate | (68.45) | - |
| Tax in respect of Earlier years | (3.99) | 8.57 |
| Other Items | (40.78) | 16.96 |
| Total income tax expense/(credit) | 605.98 | 739.24 |

Consequent to reconciliation items shown above, the effective tax rate is 21.20% (2019-20: 29.13%)

Movement in Deferred tax (assets)/liabilities :

| Particulars | April 1, 2020 | MAT credit utilised during the year | (Credit)/charge in Statement of Profit and Loss | (Credit)/charge in Other Comprehensive Income | March 31, 2021 |
|---|---------------|-------------------------------------|---|---|----------------|
| Deferred tax asset on account of : | | | | | |
| Provision for Employment Benefits | (105.79) | - | (42.19) | (14.15) | (162.13) |
| Provision for Doubtful Debts & Others Receivables | (130.81) | - | 27.04 | - | (103.77) |
| Deferred tax liability on account of: | | | | | |
| Depreciation on Property, Plant & Equipment and Intangible Assets | 740.99 | - | (143.32) | - | 597.67 |
| Deferred Tax Liability/(Asset) | 504.39 | - | (158.47) | (14.15) | 331.77 |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

Movement in Deferred tax (assets)/liabilities :

| Particulars | April 1, 2019 | MAT credit utilised during the year | (Credit)/charge in Statement of Profit and Loss | (Credit)/charge in Other Comprehensive Income | March 31, 2020 |
|--|---------------|-------------------------------------|---|---|----------------|
| Deferred tax asset on account of : | | | | | |
| Provision for Employment Benefits | (93.61) | - | (15.35) | 3.17 | (105.79) |
| Provision for Doubtful Debts & Others Receivables | (133.30) | - | 2.49 | - | (130.81) |
| Others | (0.31) | - | 0.31 | - | - |
| Deferred tax liability on account of: | | | | | |
| Depreciation on Property, Plant & Equipment and Intangible Assets | 553.64 | - | 187.35 | - | 740.99 |
| Deferred Tax Liability/(Asset) excluding MAT Credit Entitlement | 326.42 | - | 174.80 | 3.17 | 504.39 |
| MAT Credit Entitlements | (68.62) | 68.62 | - | - | - |
| Deferred Tax Liability/(Asset) including MAT Credit Entitlement | 257.80 | 68.62 | 174.80 | 3.17 | 504.39 |

Unrecognised carry forward tax losses:

The Company has accumulated capital loss of Rs. 1,302.63 Lakhs (Previous year Rs. 1,403.14 Lakhs) under the Income Tax Act. In view of, uncertainty over the Company's ability to utilise such losses in the foreseeable future, the Company has not recognised deferred tax asset against such losses.

8 Other non - current assets

| Particulars | March 31, 2021 | March 31, 2020 |
|-----------------------|----------------|----------------|
| Capital advances | 100.48 | 161.91 |
| VAT Receivable : | | |
| - Considered Good | 53.70 | 95.74 |
| - Considered Doubtful | 52.51 | 52.51 |
| Less: Loss allowance | (52.51) | (52.51) |
| Total | 154.18 | 257.65 |

9 Inventories

(Cost or Net Realisable value, whichever is lower)

| Particulars | March 31, 2021 | March 31, 2020 |
|-------------------|-----------------|-----------------|
| Raw Materials | 1,385.35 | 809.70 |
| Work-in-progress | 571.71 | 336.75 |
| Finished goods | 2,685.93 | 1,945.19 |
| Stores and Spares | 274.52 | 213.76 |
| Total | 4,917.51 | 3,305.40 |

Notes :

a) Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Write-back of inventories amounted to Rs. 122.70 lakhs for the year ended 31st March, 2021 (write-down Rs. 45.54 lakhs for the year ended 31st March,2020). These write-downs/write back were recognised as expenses /income and included in 'Raw material consumed', 'changes in value of inventories of finished goods, stock-in-trade and work-in-progress' and 'consumption of stores and spares' in the statement of Profit and Loss.

b) For information of Inventories offered as security, Refer Note 38.



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

10 Current Investments

| Particulars | March 31, 2021 | March 31, 2020 |
|--|-----------------|-----------------|
| Investment in Mutual Fund : | | |
| Unquoted at Fair value through Profit and Loss | | |
| UTI-Money Market Fund - Institutional Plan - Direct Growth Plan (Units 54,300.35 (Previous Year 61,574.361)) | 1,300.59 | 1,396.36 |
| UTI-Overnight Fund - Direct Growth Plan (Units NIL (Previous Year 7,354.297)) | - | 201.07 |
| Total | 1,300.59 | 1,597.43 |

11 Trade receivables

| Particulars | March 31, 2021 | March 31, 2020 |
|---|-----------------|-----------------|
| Unsecured, unless stated otherwise | | |
| Other parties | 3,780.06 | 3,376.50 |
| Less: Loss Allowance | (270.15) | (278.76) |
| Total | 3,509.91 | 3,097.74 |

Break-up of Security details :

| Particulars | March 31, 2021 | March 31, 2020 |
|--|-----------------|-----------------|
| Trade receivables considered good - Secured | - | - |
| Trade receivables considered good - Unsecured | 3,780.06 | 3,376.50 |
| Trade receivables which have significant increase in credit risk | - | - |
| Trade receivables - credit impaired | - | - |
| Total | 3,780.06 | 3,376.50 |
| Less: Loss Allowance | (270.15) | (278.76) |
| Total trade receivables | 3,509.91 | 3,097.74 |

(a) For information about Credit Risk and Market Risk, Refer Note 34.

(b) For information of Trade receivables offered as security, Refer Note 38.

12 Cash and Bank Balances

| Particulars | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Cash and Cash Equivalents | | |
| Cash on hand | 2.03 | 2.50 |
| Balances with Banks - In current accounts | 54.32 | 9.08 |
| Balances with Banks - Debit balance In Cash | - | - |
| Credit accounts | 115.00 | 391.30 |
| Other Bank Balances | | |
| Deposits with maturity more than three months | 50.00 | - |
| Total | 221.35 | 402.88 |

13 Loans

| Particulars | March 31, 2021 | March 31, 2020 |
|---|-----------------|-----------------|
| Unsecured, unless stated otherwise | | |
| Loans to related party (Refer Note 42) | 5,000.00 | 1,500.00 |
| Total | 5,000.00 | 1,500.00 |

Break-up of Security details :

| Particulars | March 31, 2021 | March 31, 2020 |
|--|-----------------|-----------------|
| Loans considered good - Secured | - | - |
| Loans considered good - Unsecured | 5,000.00 | 1,500.00 |
| Loans which have significant increase in credit risk | - | - |
| Loans credit impaired | - | - |
| Total | 5,000.00 | 1,500.00 |
| Less: Allowance for doubtful loans | - | - |
| Total Loans | 5,000.00 | 1,500.00 |

Disclosure as per section 186(4) of the

| Particulars | Rate of Interest | Due Date | As At March 2020 | Loan Given | Loan Repaid | As At March 2021 |
|---------------------|------------------|----------------|------------------|------------|-------------|------------------|
| Raymond Apparel Ltd | 8.00% | March 08, 2022 | - | 5,000.00 | - | 5,000.00 |

The loan has been utilised for meeting their working capital requirement

14 Other current financial assets

| Particulars | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Interest Receivables | | |
| - from Related Party (Refer Note 42) | - | 59.73 |
| - from Bank Deposits | 1.05 | - |
| Derivative financial Instruments (Refer Note 34) | 35.18 | 0.32 |
| Total | 36.23 | 60.05 |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

15 Other current assets

| Particulars | March 31, 2021 | March 31, 2020 |
|--------------------------------------|-----------------------|-----------------------|
| Export benefit receivables | | |
| - Considered Good | 257.59 | 383.30 |
| Deposit with Government Authorities | 45.10 | 5.70 |
| GST, VAT etc. receivables | | |
| - Considered Good | 405.84 | 104.40 |
| - Considered doubtful | 75.88 | 75.88 |
| Less : Loss Allowance | (75.88) | (75.88) |
| Advances to Suppliers | 34.11 | 33.06 |
| Prepaid expenses | 43.68 | 58.13 |
| Advances recoverable in cash or kind | 1.23 | 5.62 |
| Total | 787.55 | 590.21 |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

16 Equity Share capital

| a) Particulars | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Authorised 3,00,00,000 (Previous year: 3,00,00,000) Equity Shares of Rs. 10/- each | 3,000.00 | 3,000.00 |
| Issued, subscribed and fully paid up 77,56,671 (Previous year: 77,56,671) Equity Shares of Rs. 10/- each | 775.67 | 775.67 |
| | 775.67 | 775.67 |

b) Rights of Equity Shareholders

The Company has one class of equity shares having a par value of Rs. 10 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.

c) Reconciliation of number of shares

| Particulars | March 31, 2021 | | March 31, 2020 | |
|---|------------------|---------------|------------------|---------------|
| | Number of shares | Rs. lakhs | Number of shares | Rs. lakhs |
| Equity Shares : | | | | |
| Balance as at the beginning of the year | 77,56,671 | 775.67 | 77,56,671 | 775.67 |
| Balance as at the end of the year | 77,56,671 | 775.67 | 77,56,671 | 775.67 |

d) Shares held by Holding Company

| Particulars | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| 69,08,602 (Previous year 69,08,602) Equity shares of Rs.10/- each held by Scissors Engineering Products Ltd. | 690.86 | 690.86 |

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

| Particulars | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| 69,08,602 shares (Previous year 69,08,602 shares) held by Holding Company (Scissors Engineering Products Limited) | | |
| % of holding | 89.07% | 89.07% |
| 4,96,165 shares (Previous year 4,96,165) held by J K Investors (Bombay) Limited | | |
| % of holding | 6.40% | 6.40% |

f) During preceeding five years, no share was issued by the Company for consideration being other than cash.



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

17 Other Equity

| Particulars | Capital Reserve on Amalgamation | Securities Premium | Share Options outstanding Account | Retained Earnings | General Reserves | Total |
|--|---------------------------------|--------------------|-----------------------------------|-------------------|------------------|------------------|
| As at March 31, 2019 | 610.35 | 993.60 | - | 8,705.74 | 280.72 | 10,590.41 |
| Profit for the year | - | - | - | 1,798.25 | - | 1,798.25 |
| Other Comprehensive Income for the year (Net of tax) | - | - | - | 7.71 | - | 7.71 |
| Employee Stock Option Expenses | - | - | 60.00 | - | - | 60.00 |
| As at March 31, 2020 | 610.35 | 993.60 | 60.00 | 10,511.70 | 280.72 | 12,456.37 |
| Profit for the year | - | - | - | 2,251.63 | - | 2,251.63 |
| Other Comprehensive Income for the year (Net of tax) | - | - | - | (42.07) | - | (42.07) |
| Employee Stock Option Plan Expenses | - | - | 57.21 | - | - | 57.21 |
| As at March 31, 2021 | 610.35 | 993.60 | 117.21 | 12,721.26 | 280.72 | 14,723.14 |

Nature and Purpose of Reserves :

a) Securities Premium :

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

b) Share Options Outstanding Account

The Share Options outstanding Account is used to recognise the grant date fair value of options issued to employees under 'Ring Plus Aqua Limited - Employee stock option plan 2019' (Refer Note 46).

c) Capital Reserve

Capital Reserve was created on account of merger of Trinity India Ltd with the Company pursuant to the Scheme of Amalgamation in the financial year 2012-13



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

18 Non-Current Borrowings

| Particulars | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Unsecured | | |
| Interest free Deferred Sales tax payment liabilities | 9.69 | 35.53 |
| Total | 9.69 | 35.53 |

Notes :

- 1) For information about Liquidity risk and Market risk. Refer Note 34.
- 2) Instalment of loans falling due within twelve months aggregating Rs. 25.84 lakhs (Rs. 41.11 Lakhs as at March 2020) have been grouped under Current Maturities of Long Term Debt, Refer Note 21.
- 3) For information about Net Debt reconciliation refer Note 44.

19 Current Borrowings

| Particulars | Maturity Date | Terms of Repayment | Interest Rate | March 31, 2021 | March 31, 2020 |
|--|---------------------------------------|--------------------|---------------|-----------------|-----------------|
| Secured | | | | | |
| - Cash Credit | Payable on Demand | Payable on Demand | 9.15% | 49.81 | 201.27 |
| - Indian Rupee Packing credit (Including Interest Accrued Rs. 41,300/- (Previous Year Rs. 59,400/-)) | Various Repayments at the end of term | 90 Days | 5.15% | 1,000.41 | 1,000.59 |
| Total | | | | 1,050.22 | 1,201.86 |

(a) The carrying amount of financial and non-financial assets held as security for secured borrowings are disclosed in Note 38.

(b) For information about Net Debt reconciliation Refer Note 44.

20 Trade payables

| Particulars | March 31, 2021 | March 31, 2020 |
|--|-----------------|-----------------|
| Trade payables : Micro and Small Enterprises | - | - |
| Trade payables : Others | 5,365.85 | 3,747.58 |
| Trade payable to related parties (Refer Note 42) | 0.84 | 0.08 |
| Total | 5,366.69 | 3,747.66 |

(a) For information about MSME disclosure Refer Note 36.

(b) For information about Liquidity Risk and Market Risk Refer Note 34.

21 Other Current financial liabilities

| Particulars | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Current maturities of long-term debt (Refer Note 18) | 25.84 | 41.11 |
| Derivative financial instruments (Refer Note 34) | 6.91 | 72.78 |
| Other Deposits | 12.35 | 15.01 |
| Salary and Wages payable | 577.22 | 340.96 |
| Creditors for Capital Goods | 24.20 | 80.49 |
| Total | 646.52 | 550.35 |

22 Other Current liabilities

| Particulars | March 31, 2021 | March 31, 2020 |
|----------------------|----------------|----------------|
| Contract Liabilities | 402.21 | 243.32 |
| Statutory Dues | 49.59 | 51.21 |
| Other Payables | 166.35 | 242.71 |
| Total | 618.15 | 537.24 |

23 Provisions

| Particulars | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Provision for employee benefits (Refer Note 43) | | |
| a) Provision for Gratuity | 387.31 | 272.35 |
| b) Provision for Compensated Absences | 137.90 | 109.21 |
| Total | 525.21 | 381.56 |



RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)
24 Revenue from Operations

| Particulars | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Revenue from contracts with customer (Sale of Products) | | |
| - Manufactured Goods - Domestic | 6,616.82 | 6,844.96 |
| - Manufactured Goods - Export | 11,567.05 | 12,567.97 |
| Total (A) | 18,183.87 | 19,412.93 |
| Other operating revenue | | |
| (i) Export Incentives | 371.81 | 503.67 |
| (ii) Process waste sale | 1,078.38 | 883.95 |
| (iii) Others | 97.53 | 22.30 |
| Total (B) | 1,547.72 | 1,409.92 |
| Total (A+B) | 19,731.59 | 20,822.85 |

25 Other income

| Particulars | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Dividend income - Trade Investment | - | 0.04 |
| <u>Interest income</u> | | |
| - Income Tax Refund | 41.90 | - |
| - Related party (Refer note 42) | 95.44 | 66.37 |
| - Others | 80.61 | 2.71 |
| <u>Net Gain/(Loss) on :</u> | | |
| (i) Variation in Foreign Exchange Rates | 207.89 | (91.26) |
| (ii) Sale/Discard of Property, Plant and Equipment | (9.48) | 1.42 |
| (iii) Sale of Investments through profit and loss | 64.47 | 42.48 |
| (iv) Fair Valuation of Investments through profit and loss | 4.93 | 38.54 |
| Liabilities no longer required | 37.29 | 15.58 |
| Compensation from Job worker | 101.64 | 140.04 |
| Miscellaneous Income | 13.13 | 35.43 |
| Total | 637.82 | 251.35 |

26 Cost of raw materials consumed

| Particulars | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|----------------------|--------------------------------------|--------------------------------------|
| Opening Stock | 809.70 | 1,237.91 |
| Purchases | 8,141.22 | 6,464.06 |
| | 8,950.92 | 7,701.97 |
| Less : Closing Stock | (1,385.35) | (809.70) |
| Total | 7,565.57 | 6,892.27 |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

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

| Particulars | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|----------------------------|--------------------------------------|--------------------------------------|
| Opening inventories | | |
| Finished goods | 1,945.19 | 2,449.16 |
| Work-in-progress | 336.75 | 479.29 |
| | 2,281.94 | 2,928.45 |
| Closing inventories | | |
| Finished goods | 2,685.93 | 1,945.19 |
| Work-in-progress | 571.71 | 336.75 |
| | 3,257.64 | 2,281.94 |
| Total | (975.70) | 646.51 |

28 Employee benefits expense

| Particulars | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Salaries, wages, bonus etc. | 2,240.00 | 2,633.33 |
| Contribution to Gratuity Fund (Refer note 43) | 58.74 | 56.24 |
| Contribution to provident funds and other funds (Refer Note 43) | 126.41 | 142.97 |
| Employee Stock Option Plan Expenses (Refer Note 46) | 57.21 | 60.00 |
| Workmen and Staff welfare expenses | 76.07 | 129.93 |
| Total | 2,558.43 | 3,022.47 |

29 Finance costs

| Particulars | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Interest expense on Term Loans | 3.35 | - |
| Interest expense on short term borrowings | 84.26 | 57.35 |
| Total | 87.61 | 57.35 |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

30 Depreciation and amortization expense

| Particulars | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Depreciation on Property, Plant and Equipment | 1,081.45 | 983.64 |
| Depreciation of right of use assets (Refer Note 3(b)) | 0.98 | 0.97 |
| Amortization on Intangible assets | 3.71 | 16.54 |
| Total | 1,086.14 | 1,001.15 |

31 Manufacturing and Operating Costs

| Particulars | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Consumption of stores and spare parts | 1,650.59 | 1,773.78 |
| Power and fuel | 1,209.22 | 1,256.66 |
| Job work charges | 1,079.26 | 1,027.34 |
| Labour Contractor Charges | 1,074.70 | 958.24 |
| Repairs to machinery | 68.09 | 92.79 |
| Repairs to building | 52.54 | 37.78 |
| Other Manufacturing and Operating expenses | 137.18 | 162.15 |
| Total | 5,271.58 | 5,308.74 |

32 Other expenses

| Particulars | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Rent | 15.56 | 15.56 |
| Insurance | 76.91 | 81.56 |
| Rates and Taxes | 3.67 | 3.79 |
| Commission to selling agents | 14.80 | 9.26 |
| Freight, Octroi etc. | 1,212.56 | 792.06 |
| Legal and Professional Expenses* | 96.05 | 117.38 |
| Travelling & Conveyance | 48.17 | 113.99 |
| Bad Debts written off | 8.61 | - |
| Less : Provision thereagainst | (8.61) | - |
| Provision for Doubtful Receivables | - | 8.46 |
| Deposits/Advances Written off | 4.60 | - |
| Information Technology Outsourcing Cost | 24.86 | 33.19 |
| Security Expenses | 91.63 | 92.85 |
| Director's sitting Fees | 8.00 | 13.50 |
| Expenditure towards Corporate Social Responsibility (Refer Note 33) | 74.00 | 64.00 |
| Miscellaneous Expenses | 247.36 | 262.62 |
| Total | 1,918.17 | 1,608.22 |

* Includes Auditors' remuneration and expenses (net of credit for taxes) :

| Particulars | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| - Audit Fees | 8.15 | 10.75 |
| - Limited Review Fees | 2.25 | 2.25 |
| - Certification Fees | 0.60 | 0.60 |
| - Reimbursement of out of pocket expenses | 0.38 | 0.52 |
| Total | 11.38 | 14.12 |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

33 Corporate Social Responsibility expenditure:

| | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|--|--|--|
| Amount required to be spent by the Company during the year | 74.00 | 64.00 |
| Amount spent during the year : | | |
| (i) Construction/Acquisition of an asset | - | - |
| (ii) On purpose other than (i) above | 74.00 | 64.00 |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

34 Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

i. Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

| Particulars | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Borrowings bearing variable rate of interest | 1,050.22 | 1,201.86 |

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

| Particulars | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| 50 bp increase in interest rate - decrease in profits | (5.63) | (5.65) |
| 50 bp decrease in interest rate - Increase in profits | 5.63 | 5.65 |

ii. Market Risk- Foreign currency risk.

A significant portion of the sale is transacted in several currencies and consequently the Company is exposed to foreign exchange risk. The Foreign currency exchange rate exposure is balanced by forward contracts.

Derivative instruments hedged and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

(Foreign currency In lakhs)

| Particulars | Currency | March 31, 2021 | March 31, 2020 |
|--------------------------------|----------|----------------|----------------|
| Forward contracts to sell USD | USD | 33.17 | 28.70 |
| Forward contracts to sell EURO | EURO | 17.50 | 28.91 |

All the derivative instruments have been acquired for hedging purposes.

(b) Particulars of unhedged foreign currency exposures (as at the reporting date

As at March 31, 2021

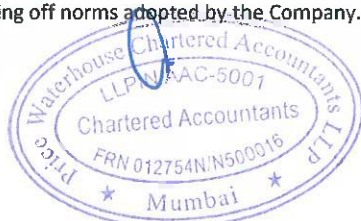
(Foreign currency In lakhs)

| Particulars | CHF | USD | EURO | GBP | REAIS | RINGGIT |
|------------------------------|-----|------|------|------|-------|---------|
| Trade Receivable | - | 9.00 | 9.41 | 0.20 | - | - |
| Covered by forward contracts | - | 9.00 | 9.41 | - | - | - |
| Unhedged Exposures | - | - | - | 0.20 | - | - |
| Trade Payable | * | 1.56 | - | - | - | - |
| Covered by forward contracts | - | - | - | - | - | - |
| Unhedged Exposures | * | 1.56 | - | - | - | - |
| Cash and Bank balances | - | * | * | * | * | * |

As at March 31, 2020

| Particulars | CHF | USD | EURO | GBP | REAIS | RINGGIT |
|------------------------------|-----|------|------|------|-------|---------|
| Trade Receivable | - | 7.22 | 9.45 | 0.33 | - | - |
| Covered by forward contracts | - | 7.22 | 9.45 | - | - | - |
| Unhedged Exposures | - | - | - | 0.33 | - | - |
| Trade Payable | * | 0.04 | - | - | - | - |
| Covered by forward contracts | - | - | - | - | - | - |
| Unhedged Exposures | * | 0.04 | - | - | - | - |
| Cash and Bank balances | - | * | * | * | * | * |

*Amount is below the rounding off norms adopted by the Company.



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

Foreign Currency Risk Sensitivity

A change of 1% in Unhedged Foreign currency would have following Impact on profit before tax

| Particulars | 2020-21 | | 2019-20 | |
|---|-------------|-------------|-------------|-------------|
| | 1% Increase | 1% decrease | 1% Increase | 1% decrease |
| USD | (1.14) | 1.14 | (0.03) | 0.03 |
| GBP | 0.20 | (0.20) | 0.31 | (0.31) |
| Increase / (decrease) in profit or loss | (0.94) | 0.94 | 0.28 | (0.28) |

*Amount is below the rounding off norms adopted by the Company.

iii. Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant increase in credit risk on other financial instruments of the same counterparty,
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements .

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data loss on collection of receivable is not material except for credit losses in forging business which has been discontinued, hence no additional provision considered.

Ageing of Account receivables

| Particulars | March 31, 2021 | March 31, 2020 |
|------------------|-----------------|-----------------|
| Not due | 3,328.95 | 2,580.92 |
| 0-3 months | 180.96 | 512.31 |
| 3-6 months | - | 4.51 |
| beyond 12 months | - | 278.76 |
| Total | 3,509.91 | 3,376.50 |

Movement in provisions of doubtful debts

| Particulars | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Opening provision | 278.76 | 278.76 |
| Less:- Provision utilised against bad debts | (8.61) | - |
| Closing provisions | 270.15 | 278.76 |

Movement in provisions of doubtful receivables

| Particulars | March 31, 2021 | March 31, 2020 |
|---------------------------------|----------------|----------------|
| Opening provision | 75.88 | 67.43 |
| Add:- Additional provision made | - | 8.45 |
| Closing provisions | 75.88 | 75.88 |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

iv. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

| Particulars | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Variable Borrowing - Cash Credit expires within 1 year | 1,319.78 | 1,168.14 |

Maturity patterns of borrowings

| Particulars | As at March 31, 2021 | | | |
|--|----------------------|-------------|----------------|-----------------|
| | 0-1 years | 1-5 years | beyond 5 years | Total |
| Long term borrowing (Including current maturity of long term debt) | 25.84 | 9.69 | - | 35.53 |
| Short term borrowings | 1,050.22 | - | - | 1,050.22 |
| Expected Interest payable | 56.30 | - | - | 56.30 |
| Total | 1,132.36 | 9.69 | - | 1,142.05 |

| Particulars | As at March 31, 2020 | | | |
|---|----------------------|--------------|----------------|-----------------|
| | 0-1 years | 1-5 years | beyond 5 years | Total |
| Long term borrowings (Including current maturity of long term debt) | 41.11 | 35.53 | - | 76.64 |
| Short term borrowings | 1,201.86 | - | - | 1,201.86 |
| Expected Interest payable | 56.52 | - | - | 56.52 |
| Total | 1,299.49 | 35.53 | - | 1,335.02 |

Maturity patterns of Other Financial Liabilities

| As at March 31, 2021 | 0-3 months | 3-6 months | 6-12 months | beyond 12 months | Total |
|-------------------------------------|-----------------|------------|-------------|------------------|-----------------|
| Trade Payables | 5,366.69 | - | - | - | 5,366.69 |
| Payables related to Capital goods | 24.20 | - | - | - | 24.20 |
| Other Financial liability (Current) | 596.47 | - | - | - | 596.47 |
| Total | 5,987.36 | - | - | - | 5,987.36 |

| As at March 31, 2020 | 0-3 months | 3-6 months | 6 months to 12 months | beyond 12 months | Total |
|-------------------------------------|-----------------|------------|-----------------------|------------------|-----------------|
| Trade Payables | 3,747.66 | - | - | - | 3,747.66 |
| Payables related to Capital goods | 80.49 | - | - | - | 80.49 |
| Other Financial liability (Current) | 428.75 | - | - | - | 428.75 |
| Total | 4,256.90 | - | - | - | 4,256.90 |



RING PLUS AQUA LIMITED**Notes to the Financial Statements as at and for the year ended March 31, 2021****(All amounts are in Rs. lakhs, unless stated otherwise)****35 Capital risk management**

The primary objectives of the capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

Company manages its capital structure and makes its adjustments in the light of changes in economic environments.

The Company monitors capital on the basis of the following gearing ratio which is total debt net of cash and bank balances divided by total equity

The management monitors the return on capital.

The gearing ratios were as follows:

| Particulars | March 31, 2021 | March 31, 2020 |
|---------------|----------------|----------------|
| Net Debt* | (436.19) | (721.81) |
| Equity | 15,498.81 | 13,232.04 |
| Gearing Ratio | (2.81) | (5.45) |

* Net Debt is derived by netting Total Borrowings by Current Investments and Cash & Bank Balances.

Negative amounts represent excess of cash and bank balances over borrowings.

36 The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.

| | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| | Current | Current |
| (a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year; | - | - |
| (b) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year; | - | - |
| (c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006); | - | - |
| (d) The amount of interest accrued and remaining unpaid at the end of accounting year; and | - | - |
| (e) The amount of further interest due and payable even in the succeeding year, 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. | - | - |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

37 Earnings per share

| Particulars | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Earnings Per Share has been computed as under : | | |
| Profit for the year for computing Earnings Per Share | 2,251.63 | 1,798.25 |
| Weighted average number of equity shares outstanding – For Basic EPS (Face Value – Rs.10 per share) | 77,56,671 | 77,56,671 |
| Add : Weighted average of Employees Stock Option outstanding (Face Value – Rs.10 per share) | 1,11,947 | 1,04,279 |
| Weighted average number of equity shares outstanding – For Diluted EPS (Face Value – Rs.10 per share) | 78,68,618 | 78,60,950 |
| Basic Earnings Per Share | 29.03 | 23.18 |
| Diluted Earnings Per Share | 28.62 | 22.88 |

38 Assets Pledged as security

The carrying amounts of assets Pledged as security for current and non-current borrowings are:

| Particulars | March 31, 2021 | March 31, 2020 |
|---|------------------|------------------|
| Current Assets | | |
| Trade receivables | 3,509.91 | 3,097.74 |
| Inventories | 4,917.51 | 3,305.40 |
| Total | 8,427.42 | 6,403.14 |
| Non Current Assets | | |
| Furniture, fittings and equipment | 22.75 | 28.96 |
| Plant and Machinery | 5,350.62 | 6,002.22 |
| Others | 798.32 | 920.67 |
| Total | 6,171.69 | 6,951.85 |
| Total assets Pledged as security | 14,599.11 | 13,354.99 |

39 Contingent liabilities (to the extent not provided for)

| Particulars | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Contingent Liabilities | | |
| Sales Tax (excluding Interest) | 39.89 | 39.89 |
| Disputed Income Tax (excluding Interest) | 14.26 | 14.26 |
| Total | 54.15 | 54.15 |

Other Matters - Provident Fund :

The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Company will evaluate its position and act as clarity emerges on impact of the ruling.

40 Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

| Particulars | March 31, 2021 | March 31, 2020 |
|--------------------------------|----------------|----------------|
| Property, plant and equipment | 118.01 | 358.99 |
| Less: Capital advances | 100.48 | 161.91 |
| Net Capital commitments | 17.53 | 197.08 |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021
(All amounts are in Rs. lakhs, unless stated otherwise)

41 Fair Value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans, security deposits etc. were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities as at March 31, 2021

| Particulars | Non Current | | | Current | | | Total | Routed through P & L | | | Routed through OCI | Carrying at amortised cost | At Cost | Total | |
|------------------------------|--------------|------------------|------------------|---------|-----------------|---------|-----------------|----------------------|--|--|--------------------|----------------------------|---------|------------------|--|
| | Non Current | Current | Total | Level 1 | Level 2 | Level 3 | | Total | | | | | | | |
| Financial Assets | | | | | | | | | | | | | | | |
| Investment | 8.61 | 1,300.59 | 1,309.20 | | 1,308.49 | | 1,308.49 | | | | | 0.71 | - | 1,309.20 | |
| Other Financial Assets | 20.02 | 5,036.23 | 5,056.25 | - | 35.18 | - | 35.18 | | | | | 5,021.07 | - | 5,056.25 | |
| Trade receivable | - | 3,509.91 | 3,509.91 | - | - | - | - | | | | | 3,509.91 | - | 3,509.91 | |
| Cash and Bank Balances | - | 221.35 | 221.35 | - | - | - | - | | | | | 221.35 | - | 221.35 | |
| | 28.63 | 10,068.08 | 10,096.71 | - | 1,343.67 | - | 1,343.67 | | | | | 8,753.04 | - | 10,096.71 | |
| Financial Liabilities | | | | | | | | | | | | | | | |
| Borrowings | 9.69 | 1,050.22 | 1,059.91 | - | - | - | - | | | | | 1,059.91 | - | 1,059.91 | |
| Other Financial Liabilities | - | 646.52 | 646.52 | - | 6.91 | - | 6.91 | | | | | 639.61 | - | 646.52 | |
| Trade Payables | - | 5,366.69 | 5,366.69 | - | - | - | - | | | | | 5,366.69 | - | 5,366.69 | |
| | 9.69 | 7,063.43 | 7,073.12 | - | 6.91 | - | 6.91 | | | | | 7,066.21 | - | 7,073.12 | |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

Financial Assets and Liabilities as at March 31, 2020

| Particulars | Current | | | Total | Routed through P & L | | | Routed through OCI | Carrying at amortised cost | At Cost | Total |
|------------------------------|--------------|-----------------|-----------------|-----------------|----------------------|-----------------|----------|--------------------|----------------------------|---------|-----------------|
| | Non Current | Level 1 | Level 2 | | Level 3 | Total | | | | | |
| Financial Assets | | | | | | | | | | | |
| Investment | 8.22 | 1,597.43 | 1,604.95 | 1,605.65 | | 1,604.95 | 1,604.95 | 0.70 | - | - | 1,605.65 |
| Other Financial Assets | 23.05 | 1,560.05 | 0.32 | 1,583.10 | - | 0.32 | - | 1,582.78 | - | - | 1,583.10 |
| Trade receivable | - | 3,097.74 | - | 3,097.74 | - | - | - | 3,097.74 | - | - | 3,097.74 |
| Cash and Bank Balances | - | 402.88 | - | 402.88 | - | - | - | 402.88 | - | - | 402.88 |
| | 31.27 | 6,658.10 | 1,605.27 | 6,689.37 | - | 1,605.27 | - | 5,084.10 | - | - | 6,689.37 |
| Financial Liabilities | | | | | | | | | | | |
| Borrowings | 35.53 | 1,201.86 | - | 1,237.39 | - | - | - | 1,237.39 | - | - | 1,237.39 |
| Other Financial Liabilities | - | 550.35 | 72.78 | 550.35 | - | 72.78 | - | 477.57 | - | - | 550.35 |
| Trade Payables | - | 3,747.66 | - | 3,747.66 | - | - | - | 3,747.66 | - | - | 3,747.66 |
| | 35.53 | 5,499.87 | 72.78 | 5,535.40 | - | 72.78 | - | 5,462.62 | - | - | 5,535.40 |

Fair Value of financial assets and liabilities measured at amortised cost.

The carrying amount of trade receivable, trade payable, cash and bank balances, other bank balance and short term borrowings are considered to be the same as their fair values, due to their short-term nature.

In respect of other financial assets/liabilities the difference between the carrying amount and fair value are not expected to be material.



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

42 Related Parties Disclosures as per Ind AS 24 :

A. Relationships :

i Related parties where control exists, irrespective of whether transaction has occurred or not:

(a) Ultimate holding Company

- Raymond Limited

(b) Holding Company (Refer Note 16)

- Scissors Engineering Products Limited

ii. Entities where control /significant influence by KMP's and their relatives exists and with whom transaction have taken place.

Fellow Subsidiary Companies

- JK Files (India) Limited
- Dress Master Apparel Private Limited
- JK Investors (Bombay) Limited
- Raymond Apparel Limited

iii Key Management Personnel:

- Mr. Gautam Hari Singhania – Non-Executive Director (upto March 19, 2021)
- Mr. Ravikant Uppal - Non-Executive Director (Appointed on April 08, 2019)
- Mr. Bhuwan Kumar Chaturvedi – Director (upto March 20, 2021)
- Mr. Parthiv Kilachand - Director (Appointed on March 20, 2020)
- Mr. Parvinder Singh Pasricha – Director (upto March 19, 2020)
- Mr. Vipin Agarwal – Non-Executive Director (upto October 16, 2020)
- Mr. Ganeshkumar Subramanian (Appointed on October 23, 2020)
- Mr. V. Balasubramanian – Executive Director

iv Trust

Ring Plus Aqua Limited - Employee Gratuity Scheme



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

B. Entities where control /significant influence by KMP's and their relatives exists and with whom transaction have taken place.

| Nature of transactions | J.K. Files (India) Limited | Raymond Limited | Dress Master Apparel Private Limited | JK Investors (Bombay) Ltd | Raymond Apparel Ltd | Key Management personnel |
|-----------------------------------|-------------------------------|--------------------|--|------------------------------|------------------------|--------------------------------|
| Purchases | | | | | | |
| Goods and Material | 6.02 (7.02) | - (1.16) | - (-) | - (-) | - (-) | - (-) |
| Expenses | | | | | | |
| Rent and other service charges | - (-) | 97.32 (100.82) | - (-) | - (-) | - (-) | - (-) |
| Director Sitting Fees | - (-) | - (-) | - (-) | - (-) | - (-) | 2.00 (3.50) |
| Reimbursement of Expenses | 1.41 (4.62) | 31.67 (65.04) | - (-) | 0.16 (-) | - (-) | - (-) |
| Finance | | | | | | |
| Unsecured Loan repayment received | - (-) | - (-) | 1,500.00 (-) | - (-) | - (-) | - (-) |
| Unsecured Loan given | - (-) | - (-) | - (1,500.00) | - (-) | 5,000.00 (-) | - (-) |
| Interest Income | - (-) | - (-) | 85.58 (66.37) | - (-) | 9.86 (-) | - (-) |
| Outstanding | | | | | | |
| Trade Payable | 0.84 (0.08) | - (-) | - (-) | - (-) | - (-) | - (-) |
| Other Payable | 0.27 (-) | 0.24 (20.69) | - (-) | - (-) | - (-) | - (-) |
| Interest Receivable | - (-) | - (-) | - (59.73) | - (-) | - (-) | - (-) |
| Unsecured Loan receivable | - (-) | - (-) | - (1,500.00) | - (-) | 5,000.00 (-) | - (-) |

(Previous year figures are in brackets)

C. Transactions carried out with Key Managerial Person, in the ordinary course of business :

| Particulars | March 31, 2021 | March 31, 2020 |
|-----------------------------|-------------------|-------------------|
| Short-term employee benefit | 129.05 | 201.48 |
| Post-employment benefit | 6.09 | 6.27 |
| Total | 135.14 | 207.75 |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

43 Post retirement benefit plans

I. DEFINED CONTRIBUTION PLAN:

The Company has defined contribution plan. Contributions are made to provident fund and ESIC for employees as per regulations. The obligation of the company is limited to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the year are :

| Particulars | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Contribution to Provident Fund | 121.61 | 136.51 |
| Contribution to E.S.I.C. | 4.80 | 6.46 |
| Total Contribution to provident funds and other funds | 126.41 | 142.97 |

II. DEFINED BENEFIT PLANS (GRATUITY) :

The Company provides for 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. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of Rs. 20 lakhs (Previous year Rs. 20 lakhs). The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

A. Balance Sheet

| Particulars | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Present value of plan liabilities | 954.29 | 784.62 |
| Fair value of plan assets | 566.98 | 512.27 |
| Plan liability net of plan assets | 387.31 | 272.35 |

B. Movements in plan assets and plan liabilities

| Particulars | Plan Assets | Plan liabilities | Plan liability net of plan assets |
|---|---------------|------------------|-----------------------------------|
| As at March 31, 2020 | 512.27 | 784.62 | 272.35 |
| Current service cost | - | 40.11 | 40.11 |
| Return on plan assets excluding Interest Income | 53.45 | - | (53.45) |
| Interest cost | - | 53.67 | 53.67 |
| Interest income | 35.04 | - | (35.04) |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | 28.56 | 28.56 |
| Actuarial (gain)/loss arising from experience adjustments | - | 81.11 | 81.11 |
| Benefit paid from fund | (33.78) | (33.78) | - |
| As at March 31, 2021 | 566.98 | 954.29 | 387.31 |

| Particulars | Plan Assets | Plan liabilities | Plan liability net of plan assets |
|---|---------------|------------------|-----------------------------------|
| As at March 31, 2019 | 518.37 | 745.35 | 226.98 |
| Current service cost | - | 39.14 | 39.14 |
| Return on plan assets excluding Interest Income | (25.54) | - | 25.54 |
| Interest cost | - | 56.20 | 56.20 |
| Interest income | 39.09 | - | (39.09) |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | (57.29) | (57.29) |
| Actuarial (gain)/loss arising from experience adjustments | - | 20.87 | 20.87 |
| Benefit paid from fund | (19.64) | (19.64) | - |
| As at March 31, 2020 | 512.27 | 784.62 | 272.35 |



C. The liabilities are split between different categories of plan participants as follows:

| Particulars | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Active members | 490 | 529 |
| The weighted average duration of the defined benefit plans | 9 | 10 |
| The Company expects to contribute to the funded plans in next 12 months | 87.05 lakhs | 86.39 lakhs |

D. Statement of Profit and Loss

| Particulars | March 31, 2021 | March 31, 2020 |
|---|----------------|----------------|
| Employee Benefit Expenses: | | |
| Current service cost | 40.11 | 39.13 |
| Interest cost | 18.63 | 17.11 |
| Net impact on the Profit before tax | 58.74 | 56.24 |
| Remeasurement of the net defined benefit liability: | | |
| Return on plan assets excluding amounts included in interest expense/income | (53.45) | 25.54 |
| Actuarial gains/(losses) arising from changes in financial assumptions | 28.56 | (57.29) |
| Actuarial gains/(losses) arising from changes in experience | 81.11 | 20.87 |
| Net impact on the Other Comprehensive Income before tax | 56.22 | (10.88) |

E. Defined benefit plans Assets

| Particulars | March 31, 2021 | March 31, 2020 |
|----------------------|----------------|----------------|
| Insurer Managed Fund | 566.99 | 512.29 |

F. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

| Particulars | March 31, 2021 | March 31, 2020 |
|------------------------------|--|--|
| Financial Assumptions | | |
| Discount rate | 6.44% | 6.84% |
| Salary Escalation Rate | 3% to 7.5% | 4% to 6% |
| Salary Attrition Rate | For Workers 2% For Staff 15%,10% & 5% | For Workers 2% For Staff 15%,10% & 5% |

Demographic Assumptions :

Mortality in service : Indian Assured Lives Mortality (2006-08) Ultimate table.

G. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

| Current Year | Increase in assumption | Decrease in assumption |
|-------------------------------------|------------------------|------------------------|
| Discount rate: (+1%and -1%) | (68.88) | 77.97 |
| Salary Escalation Rate (+1%and -1%) | 75.81 | (68.71) |
| Employee Turnover (+1%and -1%) | (4.17) | 4.66 |

| Previous Year | Increase in assumption | Decrease in assumption |
|-------------------------------------|------------------------|------------------------|
| Discount rate: (+1%and -1%) | (58.73) | 66.63 |
| Salary Escalation Rate (+1%and -1%) | 65.68 | (52.38) |
| Employee Turnover (+1%and -1%) | (1.23) | 1.49 |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

H. 1. The defined benefit obligations shall mature after year as follows:

| Year ending 31 March, | March 31, 2021 | March 31, 2020 |
|-----------------------|----------------|----------------|
| 1st Following Year | 57.85 | 39.38 |
| 2nd Following Year | 52.88 | 42.04 |
| 3rd Following Year | 64.06 | 54.54 |
| 4th Following Year | 71.33 | 55.89 |
| 5th Following Year | 77.24 | 63.07 |
| Sum of 6 to 10 | 484.77 | 408.32 |

2. Compensated Absences :

The amount of provision of Rs. 137.90 lakhs (March 31, 2020 Rs. 109.21 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligation.



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

44 Net Debt Reconciliation :

| Particulars | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| Cash and Bank Balances | 221.35 | 402.88 |
| Bank Balances other than cash and cash equivalents | - | - |
| Current Investment | 1,300.59 | 1,597.43 |
| Current borrowings | (1,050.22) | (1,201.86) |
| Non-current borrowings (including current maturities and interest accrued) | (35.53) | (76.64) |
| Net debt | 436.19 | 721.81 |

| Particulars | Other Asset | | Liabilities from financing activities | | Total |
|---|------------------------|--------------------|--|--------------------|-----------------|
| | Cash and Bank Balances | Current Investment | Non-current borrowings (including current maturities and interest accrued) | Current borrowings | |
| Net debt as at March 31, 2019 | 31.30 | 717.90 | (135.86) | (1,059.00) | (445.66) |
| Net Cashflows | 371.58 | 801.00 | 59.22 | (142.86) | 1,088.94 |
| Fair Valuation of Current Investment | - | 36.05 | - | - | 36.05 |
| Gain on Redemption on Current Investment | - | 42.48 | - | - | 42.48 |
| Interest expenses | - | - | - | (57.35) | (57.35) |
| Interest paid | - | - | - | 57.35 | 57.35 |
| Net debt as at March 31, 2020 | 402.88 | 1,597.43 | (76.64) | (1,201.86) | 721.81 |
| Net Cashflows | (231.53) | (316.24) | 41.11 | 151.64 | (355.02) |
| Fair Valuation of Current Investment | - | 4.93 | - | - | 4.93 |
| Gain on Redemption on Current Investment | - | 64.47 | - | - | 64.47 |
| Deposits with maturity more than three months | 50.00 | (50.00) | - | - | - |
| Interest expenses | - | - | (3.35) | (84.26) | (87.61) |
| Interest paid | - | - | 3.35 | 84.26 | 87.61 |
| Net debt as at March 31, 2021 | 221.35 | 1,300.59 | (35.53) | (1,050.22) | 436.19 |



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

45 Segment Disclosure :

The Company's business activity falls within a single primary business segment of manufacture of auto components. Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".

Entity wide disclosure -Information in respect of geographical area is as under :

| | India | | America | | Asia | | Rest of the world | | Total | |
|--|--------------|---------------|--------------|---------------|--------------|---------------|-------------------|---------------|--------------|---------------|
| | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year | Current Year | Previous Year |
| Revenue from Operations * | 8,883.03 | 9,251.68 | 3,589.41 | 3,737.15 | 413.20 | 670.06 | 6,845.95 | 7,163.96 | 19,731.59 | 20,822.85 |
| Carrying cost of segment non-current asset** | 8,282.08 | 9,605.65 | - | - | - | - | - | - | 8,282.08 | 9,605.65 |

* Based on location of customer

** Excluding financial asset and deferred tax asset

Considering the nature of business of Company in which it operates, the Company deals with various customers including multiple geographics. Consequently, none of the customer contribute materially to the revenue of the Company.



RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2021

(All amounts are in Rs. lakhs, unless stated otherwise)

46 Share Based Payments :

A. The company has instituted Ring Plus Aqua Limited - Employee Stock Option Scheme 2019 (RPAL ESOP 2019), pursuant to the approval of the shareholders of the company at their Extra Ordinary General Meeting held on March 1, 2019. The Option Plan is designed to provide incentives to employees for long term value creation. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of one years.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share of face value Rs. 10 per share.

Under ESOP 2019, the company has granted 111,947 stock options for fair value of option determined on the date of grant.

Fair Value of options granted :

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The options are granted for no consideration and vest as per vesting period mentioned below.

The model inputs for options granted included :

| | |
|---|--|
| Date of grant | 26-Apr-19 |
| Number of options granted | 111947 |
| Exercise price per option | Rs. 10.00 |
| Vesting period | Over a period of 4 years from the date of grant as under : 40% of Options at the end of Year 1 20% of Options at the end of Year 2 20% of Options at the end of Year 3 20% of Options at the end of Year 4 |
| Exercise period | One year from the date of vesting |
| Expected Terms | 5.9 years |
| Share Price at grant date | 277 |
| Expected Price volatility of the Company's Shares | 48% |
| Expected dividend yield | 0% |
| Risk-Free interest rate | 7.67% |

B. The effect of Share Based Payments on the Company's Statement of Profit or Loss for the period and on its Financial Position :

The total expenses arising from share-based payments transactions recognised in profit or loss as part of employee benefit expense are as follows :

| Particulars | March 31, 2021 | March 31, 2020 |
|--------------------|----------------|----------------|
| Salaries and Wages | 57.21 | 60.00 |

47 The ongoing corona pandemic is profoundly impacting people's health, societies and business operations around the globe. In many countries, including India, there has been severe disruption to regular business operations due to lockdowns, disruptions in transportation, supply chains, travel restrictions, quarantines, social distancing and other emergency measures implemented to control the spread of virus.

The Company is in the business of manufacturing and exporting Ring Gears, Flexplates, Water Pump Bearings, machined components, both for auto and non-auto sector. The Company is a key supplier of components in its product category and these products are going to remain key and a top priority going forward as well. The Company has strong contingency plans in place to secure operations and supply chain so that production of its key products can continue. Further, there are significant geographic and widespread customer base that will continue to drive growth in mid and long term.

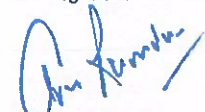
The Company has made detailed assessments of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, receivables and other current assets as at the balance sheet date and on the basis of evaluation, has concluded that no significant impact on its financial statement as at March 31, 2021. The Company is of the view that considering the nature of its business operations, existing customer and supplier relationships and its market position, impact on its business operations, if any, arising from COVID -19 pandemic is not expected to be significant. However, the Company will continue to monitor any material changes to future economic conditions.

48 The Company has approved its financial statements in its Board Meeting dated May 03, 2021.

As per our attached Report of even date

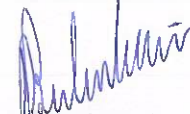
For Price Waterhouse Chartered Accountants LLP


Firm Registration No. 012754N/N500016


Arunkumar Ramdas
Partner
Membership No. 112433

Place : Mumbai
Date : May 03, 2021

For and on behalf of Board of Directors


V. Balasubramanian
Executive Director
DIN : 05222476


Ganesh Kumar Subramanian
Director
DIN : 00088163


Suresh Maheshwari
Chief Financial Officer


Reshma Ramchandani
Company Secretary