

Name : M/s Royal Arc Electrodes Limited
 CIN : U31100MH1996PLC096296
 Address(O) : 203 to 205, Business Classic, Malad West, Chincholi Bunder Road, MUMBAI, MAHARASHTRA-400064
 EMail Id :accounts@royalarc.in
 Mobile No. : 9323621084
 Permanent Account No : AAACR4146H
 Status : Public Limited
 Previous year : 2018-2019
 Ward/Circle : CIRCLE 13(3)(1), MUMBAI/13
 Nature of Business or Profession : Other manufacturing n.e.c. - 04097 (MANUFACTURE OF ENGINEERING GOODS)

Date of Incorporation : 15/01/1996
 Resident Status : Resident
 Assessment Year : 2019-2020
 Return : ORIGINAL

Computation of Total Income

Income Heads	Income Before Set off	Income After Set off
Income from House Property	0	0
Income From Business or Profession	18507683	18507683
Income from Capital Gains	0	0
Income from Other Sources	0	0
Gross Total Income		18507683
Less : Deduction under Chapter VIA		96360
Total Income		18411323
Rounding off u/s 288A		18411320
Income Taxable at Normal Rate		18411320
Income Taxable at Special Rate		0

TAX CALCULATION

Tax at Normal Rates (25%)	4602830	
Total Tax as per other provisions of the IT Act	MAT Prov	Normal Prov
Tax payable u/s 115JB	3272847	4602830
Add : Surcharge(if applicable)	229099	322198
Total	3501946	4925028
Add : Health and Education Cess	140078	197001
Total	3642024	5122029
Higher of the above two		5122029
Less : TDS/TCS		46410
Assessed Tax		5075619
Less : Advance Tax		4000000
Add : Interest		170364
u/s 234B	86048	
86048[8M]		
u/s 234C	84316	
(22839+23520+27201+10756)		
Amount Payable		1245983
Tax Rounded Off u/s 288 B		1245980

COMPREHENSIVE DETAIL

Exempted Income	Section	Amount
Dividend	10 (34)	12000
		12000

Income from Business & Profession Details

18507683

BUS-1

Net Profit As Per P&L A/c

17691064

Add: Items Inadmissible/for Separate

17912829

Consideration

Depreciation Separately Considered

17694573

Amounts disallowable under section 37

218256

Sub Total

35603893

Less: Items Admissible/for Separate

17096210

Consideration

Depreciation Allowed as Per IT Act

16886367

Exempt Income

12000

Description

Dividend

Amount

12000

Deduction under section 28 to 44DA

197843

Income From BUS-1

18507683

Total of Business & Profession

18507683

Deductions Under Chapter VIA

96360

Description

Gross

Deductible

Amount

Amount

u/s 80G Donation (Other than Political Party)

192720

96360

Details : Advance Tax Paid

Bank and Branch	BSR Code	Dated	ChallanNo.	Amount
	0011352	01/02/2019	01474	1100000
	0004329	26/11/2018	09305	700000
	0014431	27/09/2018	03001	700000
	0013283	16/08/2018	04008	1500000

Interest Calculation Detail

234B		
	$(1075600) \times 8(M) \times 1\% =$	86048
		86048
234C		
	$((5075619 \times 15\%) - 0) \times 3(M) \times 1\% =$	22839
	$((5075619 \times 45\%) - 1500000) \times 3(M) \times 1\% =$	23520
	$((5075619 \times 75\%) - 2900000) \times 3(M) \times 1\% =$	27201
	$((5075619 \times 100\%) - 4000000) \times 1(M) \times 1\% =$	10756
		84316
Total Interest		170364

Royal Arc Electrodes Limited

Client Code:RAEL

Assessment Year:2019-2020

Return Filing Due Date : 30/11/2019

Return Filing Section : 139(1)

Interest Calculated Upto : 05/11/2019

Royal Arc Electrodes Limited
Depreciation Chart For Assessment Year '2019-2020'

Business Name :BUS-1

S.No.	Description /Block of Assets	Rate	Opening WDV	Additions		Deductions		Normal Dep.	Additional Dep.	Total Dep.	Closing WDV
				180 days or more	Less than 180 days	180 days or more	Less than 180 days				
1	Machinery And plant 40% - Machinery and plant	40.00 %	4382635.00	0.00	0.00	0.00	0.00	1753054.00	0.00	1753054.00	2629581.00
2	Buildings 10% - Buildings	10.00 %	43677539.00	611000.00	1100000.00	0.00	0.00	4483854.00	0.00	4483854.00	40904685.00
3	Furniture and fittings 10% - Furniture and fittings	10.00 %	3645407.00	0.00	0.00	0.00	0.00	364541.00	0.00	364541.00	3280866.00
4	Machinery and plant 15% - Machinery and plant	15.00 %	67740772.00	863917.00	307613.00	569367.00	0.00	10228369.00	56549.00	10284918.00	58058017.00
Total			119446353.00	1474917.00	1407613.00	569367.00	0.00	16829818.00	56549.00	16886367.00	104873149.00

Details of Bank Accounts :

No of Bank Account :- 1

Sr.No.	IFS Code	Name & Branch	Account No.	Type
1	SBIN0000552	STATE BANK OF INDIA-MALAD (WEST), MUMBAI MUMBAI	10240759923	Current

Verified By : KISHOR ANAND SHETTY

ROYALARC ELECTRODES LIMITED

MUMBAI

CIN : U31100MH1996PLC096296

23RD ANNUAL REPORT

YEAR 2018-2019

BOARD OF DIRECTORS:-

MR. BIPIN SANGHVI
MR. KISHOR SHETTY
MRS. SAVITA SHETTY
MR. HARDIK SANGHVI
MR. SWAGAT SANGHVI

AUDITOR:

**GANESH ASSOCIATES
CHARTERED ACCOUNTANTS
MUMBAI**

REGISTERED OFFICE :-

**203 TO 205, BUSINESS CLASSIC,
OPP. SEKSARIA INDS. ESTATE, CHNCHOLI BUNDER ROAD,
MALAD (W), MUMBAI, MAHARASTRA-400064**

Independent Auditor's Report

To the Members of Royal Arc Electrodes Limited

Report on the Financial Statements.

We have audited the accompanying financial statements of **Royal Arc Electrodes Limited**, which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss and Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements gives the information as required by the Companies Act, 2013 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, 2019 its profit, and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Companies Act, 2013 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.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility 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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Management's Responsibility along with those charged with governance for the Financial Statements.

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

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

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

Auditors' Responsibility for the Audit of Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Emphasis of Matter

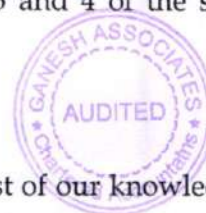
We draw attention to Note 26 to the financial statements, the company has not ascertained and provided for gratuity liability in accordance with Accounting Standard 15 - Accounting for retirement benefits. Our opinion is modified in respect of this matter.

Report on Other Legal and Regulatory Requirements.

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by Central Government of India in terms of section 143 (11) of the Companies Act, 2013("the Act"), we give in the **Annexure-A** hereto a statement on the matters specified in Paragraphs 3 and 4 of the said Order.

2. As required by Section 143 (3) of the Act, we report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with Accounting Standards notified under the Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in **Annexure- B** and
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- I) The company is not having any pending litigation cases going on and hence the Company has disclosed the impact of pending litigations on its financial position in its financial statements as of March 31, 2019;
 - II) The Company has made provision in its financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts;
 - III) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

PLACE: - Mumbai

DATE: - 25.09.2019



For, Ganesh Associates

Chartered Accountant

FRN: 103056W

A handwritten signature in blue ink that reads "G. A. Shetty".

Ganesh A. Shetty

Proprietor

M. No. 034260

UDIN: 19034260AAAADX7190

**(G. A. SHETTY)
CHARTERED ACCOUNTANT
M. No. 34260**

FRN - 103056 W

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. a) The Company has maintained proper records of fixed assets showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

b) The Company has a phased program of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In accordance with such program, certain fixed assets were physically verified by management during the year and no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of company.
2. a) As explained to us, the management at reasonable intervals during the year has physically verified the stocks of inventories. As explained to us, there was no material discrepancies were noticed on physical verification of the inventories. In our opinion, the frequency of such verification is reasonable having regard to the size of the company and the nature of its business.
3. The company has not granted any loans, secured or unsecured to any companies, firms, limited liability partnerships or other parties covered in the register-maintained u/s. 189 of the Companies Act, 2013. So, opinion regarding terms and conditions of grant of such loans, schedule of repayment of principal and payment of interest, rate of interest and other conditions would not apply.
4. 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 acts, with respect to the loans and investments made.
5. In our opinion, and according to the information and explanations given to us during the course of audit, the company has not accepted deposits during the year and does not have any unclaimed deposits. Therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
6. According to the information and explanation given to us, the Central Government has not prescribed for maintenance of cost records u/s 148(1) of the Companies Act, 2003 for any of the products of the company.
7. **In respect of statutory dues:**
As informed to us, according to the records of the company there is no undisputed statutory dues including provident fund, employees state insurance, Investor education and protection fund, Income Tax, Goods & Service Tax, Custom duty, FBT, and other



material statutory dues have been generally regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2019 for a period of more than six months from the date of becoming payable.

Details of disputed dues which have not been deposited as on March 31, 2019 on Account of disputes are given below:

Sr. No.	Name of the Statue	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
1	Maharashtra Sales Tax	VAT	1,30,24,824/-	FY 2004-05	Maharashtra Sales Tax Tribunal
2	The Central Excise Act, 1944	Central Excise Duty	1,26,088/-	January 2016 to March 2017	CESTAT
3	The Central Excise Act, 1944	Central Excise Duty	6,88,417/-	May 2009 to December 2015	CESTAT

8. Based on the examination of the books of accounts and related records and according to the information and explanation provided to us, the company has not defaulted in repayment of dues to the bank and financial institutions during the year.
9. The Company has not raised moneys by way of initial public offer, further public offer (including debt instruments).
10. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of the section 197 read with schedule V to the act.
12. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. According to the information and explanation given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examinations of the records of the company, the company has not made preferential allotment of equity shares.



15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

PLACE: - Mumbai

DATE: - 25.09.2019



For, Ganesh Associates

Chartered Accountant

FRN: 103056W

A handwritten signature in blue ink, appearing to read "Ganesh A. Shetty".

Ganesh A. Shetty

Proprietor

M. No. 034260

UDIN:19034260AAAADX7190

**(G. A. SHETTY)
CHARTERED ACCOUNTANT
M. No. 34260**

FRN - 103056 W

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in Point-(f) paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of Royal Arc Electrodes Limited ('the Company') as of 31 March, 2019.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019, 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.

PLACE: - Mumbai

DATE: - 25.09.2019



For, Ganesh Associates

Chartered Accountants

FRN: 103056W

A handwritten signature in blue ink that reads "Ganesh A. Shetty".

Ganesh A. Shetty

Proprietor

M. No. 034260

UDIN: 19034260AAAADX7190

**(G. A. SHETTY)
CHARTERED ACCOUNTANT
M. No. 34260**

FRN - 103056 W

ROYALARC ELECTRODES LIMITED

Balance Sheet as at 31.03.2019

(Amount in ₹)

Particulars	Note No.	As At March 31, 2019	As At March 31, 2018
A Equity and Liabilities			
1 Shareholders' funds			
(a) Share capital	2	1,82,00,000	1,82,00,000
(b) Reserves and surplus	3	14,28,25,203	13,02,51,219
		16,10,25,203	14,84,51,219
2 Non-current liabilities			
(a) Long-term borrowing	4	8,24,77,453	10,63,16,069
(b) Deferred tax liabilities (net)		1,35,99,807	1,37,58,502
(c) Other Long term liabilities	5	67,31,237	49,55,203
		10,28,08,497	12,50,29,774
3 Current liabilities			
(a) Short-term borrowings	6	10,34,17,694	12,76,70,177
(b) Trade payables	7	12,53,84,577	10,33,36,660
(c) Other current liabilities	8	2,54,72,762	2,75,69,551
(d) Short-term provisions	9	12,19,816	(5,24,456)
		25,54,94,848	25,80,51,932
Total		51,93,28,548	53,15,32,924
B Assets			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10A	16,35,40,748	17,87,24,317
(iii) Capital Work in Progress	10B	-	-
		16,35,40,748	17,87,24,317
(b) Non Current Investments	11	2,03,230	2,03,230
(c) Long-term loans and advances	12	55,62,007	41,24,348
(d) Other Non Current Assets	13	77,37,088	77,37,088
		17,70,43,072	19,07,88,982
2 Current assets			
(a) Inventories	14	14,87,90,636	13,76,26,578
(b) Trade receivables	15	14,08,82,603	13,61,53,966
(c) Cash and cash equivalents	16	2,44,97,916	3,87,76,295
(d) Short-term loans and advances	17	2,76,45,916	2,79,95,606
(e) Other current assets	18	4,68,405	1,91,498
		34,22,85,476	34,07,43,942
Total		51,93,28,548	53,15,32,924

Significant accounting policies & Notes on Financial Statement


1 to 42

As per our report of even date

For Ganesh Associates

Chartered Accountants

FRN : 103056W



Ganesh A. Shetty

Proprietor

M.No. : 034260

UDIN : 19034260AAAADX7190



(G. A. SHETTY)
CHARTERED ACCOUNTANT
M. No. 34260


For and on behalf of the Board of Directors
ROYALARC ELECTRODES LIMITED



Bipin Sanghvi

Director

DIN No. 00462839



Kishore Shetty

Director

DIN No. 00462833

Place: Mumbai

Date : 25.09.2019

FRN - 103056 W

Place: Mumbai

Date : 25.09.2019

ROYALARC ELECTRODES LIMITED

Statement of Profit and Loss for the year ended 31st March, 2019

(Amount in ₹)

Particulars	Note No.	For the Year ended March 31, 2019	For the Year ended March 31, 2018
1 Revenue from operations	19	75,78,74,900	67,57,71,562
2 Other Income	20	13,29,441	48,78,301
3 Total Revenue (1+2)		75,92,04,341	68,06,49,863
4 Expenses:			
(a) Cost of Material Consumed	21	55,84,01,776	49,64,90,186
(b) Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	31,98,469	(1,72,60,916)
(c) Employee benefits expense	23	5,78,35,850	5,54,34,415
(d) Finance Cost	24	1,71,27,558	1,93,40,582
(e) Depreciation and amortization expense	25	1,76,94,573	1,80,92,229
(f) Other Expenses	26	8,72,55,050	9,11,08,021
Total Expenses		74,15,13,277	66,32,04,516
5 Profit / (Loss) Before Tax (3-4)		1,76,91,064	1,74,45,347
6 Tax expense:			
(a) Current tax expense for current year		52,66,232	43,62,894
(b) Prior period tax expense		9,543	(44,816)
(c) Deferred tax		(1,58,695)	(11,92,053)
7 Profit (Loss) For The Year (5-6)		1,25,73,984	1,43,19,322
8.i Earnings per share (Equity Share par value INR 10 each)			
Basic & Diluted:		6.91	7.87

Significant accounting policies & Notes on Financial Statement

1 to 42

As per our report of even date

For Ganesh Associates

Chartered Accountants

FRN : 103056W

G. A. Shetty

Ganesh A. Shetty

Proprietor

M.No. : 034260

UDIN : 19034260AAAADX7190



**For and on behalf of the Board of Directors
ROYALARC ELECTRODES LIMITED**

Bipin Sanghvi

Bipin Sanghvi

Director

DIN No. 00462839

Kishore Shetty

Kishore Shetty

Director

DIN No. 00462833

(G. A. SHETTY)
CHARTERED ACCOUNTANT
M. No. 34260

Place: Mumbai
Date: 25.09.2019

Place: Mumbai
Date: 25.09.2019

FRN - 103056 W

ROYAL ARC ELECTRODES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(Amount in ₹)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
[A] CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax	1,76,91,064	1,74,45,347
Add: Non-cash and Non-operating Expenses		
Depreciation / Amortisation	1,76,94,573	1,80,92,229
Finance Cost	1,71,27,558	1,93,40,582
Loss on sale of shares/Fixed Asset	-	-
Less: Non-operating Income		
Interest Rec.	(7,01,182)	(9,96,029)
Profit on sale of Fixed Assets	(1,97,843)	(65,500)
Dividend Income	(12,000)	(12,000)
Cash flow from operations before working capital changes	5,16,02,170	5,38,04,629
Add/(Less): Changes in Working Capital		
Trade Payables	2,20,47,917	7,47,197
Inventories	(1,11,64,058)	(1,33,03,423)
Trade receivables	(47,28,637)	(1,14,59,918)
Other current liabilities	(20,96,789)	21,81,716
Short-term provisions	(40,46,410)	(40,50,706)
Other current assets	(2,76,907)	44,851
Short-term loans and advances	3,49,690	29,31,324
Cash flow from operations after working capital changes	5,16,86,976	3,08,95,673
Less: Direct Taxes Paid	5,14,907	(11,64,630)
Net Cash Flow from Operating Activities	5,22,01,883	2,97,31,043
[B] CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Tangible Assets	(28,82,530)	(2,11,94,452)
Other Non Current Assets	-	-
Long-term loans and advances	(14,37,659)	(13,06,094)
Dividend Income	12,000	12,000
Interest Rec.	7,01,182	9,96,029
Sale of Investment/Fixed Asset	5,69,369	84,03,355
Net Cash Flow from Investing Activities	(30,37,638)	(1,30,89,163)
[C] CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds towards issue of share capital	-	-
Finance Cost	(1,71,27,558)	(1,93,40,582)
Short-term borrowings	(2,42,52,483)	4,39,46,854
Other Long-term Liabilities	17,76,034	(5,99,798)
Increase / (Decrease) in Long term Loans	(2,38,38,616)	(1,18,21,282)
Net Cash Flow from Financing Activities	(6,34,42,623)	1,21,85,192
Net Increase/ (Decrease) in Cash and Cash Equivalents	(1,42,78,378)	2,88,27,072
Opening Cash & Cash Equivalents	3,87,76,295	99,49,223
Closing Cash & Cash Equivalents	2,44,97,917	3,87,76,295



ROYAL ARC ELECTRODES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

Notes:

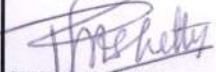
1 Cash and Cash equivalents comprise of:		
Cash/Cheques on Hand	17,15,038	12,76,563
Balance with Scheduled Banks		
-in Current account		
-in Deposit account	2,23,45,416	3,12,01,405
Closing Cash and Cash Equivalents	4,37,463	62,98,327
	2,44,97,916	3,87,76,295
2 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3(AS-		
3 Previous year figures have been regrouped wherever necessary.		

As per our report of even date

For Ganesh Associates

Chartered Accountants

FRN : 103056W



Ganesh A. Shetty

Proprietor

M.No. : 034260

UDIN : 19034260AAAADX7190

Place: Mumbai

Date : 25.09.2019

For and on behalf of the Board of Directors

Royal Arc Electrodes Limited



Bpin Sanghvi

Director

DIN No. 00462839

Kishore Shetty

Director

DIN No. 00462833

Place: Mumbai

Date : 25.09.2019



(G. A. SHETTY)
CHARTERED ACCOUNTANT
M. No. 34260

FRN - 103056 W

ROYALARC ELECTRODES LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2019

NOTE 1

Significant Accounting Policies

1. Basis of Accounting :

The financial statements have been prepared in conformity with the generally accepted accounting principles to comply in all materials respects with the notified Accounting Standards (AS) under Companies Act, 2013 and the relevant provisions of the Companies Act 2013("the Act").The financial statements have been prepared under the historical cost convention, on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2. Use of Estimates :

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

3. Revenue Recognition :

- i. Domestic Sales are recognized on preparation of Invoice and dispatch of goods.
- ii. Export sales are recognized on the date of dispatch from the factory. Export sales include sales made through trade house.
- iii. Export incentives are accounted for on export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.
- iv. Other income is recognized only when its collection is reasonably certain.

4. Fixed Assets and Depreciation:

- i. All tangible & intangible fixed assets are stated at historical cost of acquisition or construction (less Cenvat credit received / receivable) including all incidental cost of acquisition, less accumulated depreciation / amortization.
- ii. Depreciation is provided under straight-line method so as to write-off the cost of the assets over its useful life as prescribed in Schedule II of the Companies Act, 2013.



ROYALARC ELECTRODES LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2019

- iii. Projects under commissioning and other Capital Work in Progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.
- iv. Pre-operative Expenses including trial run expenses (net of revenue) are capitalized.

5. Intangible Assets :

Expenditure on regulatory approval for Licenses for Sale of Goods in foreign countries is recognized as an intangible asset and the same is amortized over a period of five years.

Expenditure on software development is recognized as an intangible asset and same is amortized over a period of five years.

6. Investments :

Long Term Investments are carried at cost. Provision is made for any diminution in value of investments, if the diminution is other than temporary.

7. Inventory Valuation :

- i. Work in process is valued at cost on FIFO basis.
- ii. Finished goods are valued at lower of cost or net realizable value.

Cost of inventory comprise of cost of conversion and other cost incurred to bring the inventory to present location and condition.

8. Foreign Currency Transactions:

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Monetary items in foreign currencies at the balance sheet date are translated at rates as at the balance sheet date. Any income or expense on account of exchange difference either on settlement or on translation is recognized in profit & loss account except in cases where they relate to acquisition of Fixed Assets, in which case they are adjusted to carrying cost of Fixed Assets.



ROYALARC ELECTRODES LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2019

9. Retirement Benefits

The company accounts for retirement benefits in compliance with the revised AS-15 as per following details:

a) Gratuity

Liability on account of gratuity, which is a defined benefit plan, is provided for on the basis of actuarial valuation carried out by an independent actuary as at the balance sheet date. The contribution towards gratuity liability is funded to an approved gratuity fund.

b) Provident fund

Contribution to provident fund, which is a defined contribution plan, is made as per the provisions of Provident Fund Act, 1952 and charged to revenue account.

c) Leave Encashment

Encashment of leave is accrued in year of retirement of an employee. Hence, not provided on the basis of actuarial valuation.

10. Borrowing Cost :

Borrowing Costs, that are directly attributed to acquisition or construction of a qualifying asset i.e. asset acquired or constructed for expansion of capacity during the year are capitalized as pre operative expenditure to be ultimately capitalized as part of the cost of that Asset.

11. Impairment :

Impairment is ascertained at each balance sheet date in respect of Cash Generating Units. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net realizable value and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

12. Tax on Income :

Current Tax is the amount of tax payable for the year as determined in accordance with the provision of the Income Tax Act, 1961.



ROYALARC ELECTRODES LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2019

Deferred Tax is recognized on timing differences between taxable profit and book profit using tax rates enacted or substantively enacted as at the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

13. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

14. Government Grants / Subsidy

Government Grants / Subsidy related to specific fixed assets are disclosed as a deduction from the value of the concerned assets. Grants / subsidy related to revenue are credited to the Profit & Loss Account on receipt basis. Grant / Subsidy in nature of promoters contribution are treated as Capital Reserve.



ROYALARC ELECTRODES LIMITED
Notes forming part of the financial statements

(Amount in ₹)

Note 2
Share Capital

	As At March 31, 2019		As At March 31, 2018	
	Number Of Shares	INR	Number Of Shares	INR
Equity Share Capital				
Authorised				
Equity Shares of INR 10/- each, with voting rights	20,00,000	2,00,00,000	20,00,000	2,00,00,000
	20,00,000	2,00,00,000	20,00,000	2,00,00,000
Issued, Subscribed and Fully Paid-Up				
Equity Shares of INR 10/- each, with voting rights	18,20,000	1,82,00,000	18,20,000	1,82,00,000
	18,20,000	1,82,00,000	18,20,000	1,82,00,000

Refer Notes (a) to (c) below

Notes:
(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Buy back	Bonus issue	Closing Balance
Equity shares with voting rights					
Year ended March 31, 2019					
- Number of shares	18,20,000	-	-	-	18,20,000
- Amount (INR 10/- Each)	1,82,00,000	-	-	-	1,82,00,000
Year ended March 31, 2018					
- Number of shares	18,20,000	-	-	-	18,20,000
- Amount (INR 10/- Each)	1,82,00,000	-	-	-	1,82,00,000

(b) Details of rights, preferences and restrictions attached to the shares issued:

The liability of the member is limited.

Right to dividend, Bonus on paripassu basis.

In the event of winding up after the creditors paid up whatever the remaining amount will be paid to equity share holders.

Right to receive notice of any general meeting and exercise the vote either by pole or on show of hands.

Right to receive the annual report of the company every year.

(c) Details of shares held by each share holder holding more than 5% Shares:

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares with voting rights				
BIPIN SANGHVI	1,74,700	9.60%	1,74,700	9.60%
KISHOR SHETTY	4,95,100	27.20%	4,95,100	27.20%
SAVITA SHETTY	2,72,000	14.95%	2,72,000	14.95%
HARDIK SANGHVI	2,25,000	12.36%	2,25,000	12.36%
AMI H. SANGHVI	1,20,000	6.59%	1,20,000	6.59%
SWAGAT SANGHVI	3,43,000	18.85%	3,43,000	18.85%
USHA K. SHETTY	1,30,000	7.14%	1,30,000	7.14%



ROYALARC ELECTRODES LIMITED**Notes forming part of the financial statements**

(Amount in ₹)

	As At March 31, 2019	As At March 31, 2018
Note 3		
Reserves and Surplus		
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	13,02,51,219	11,59,31,897
Add: Profit/(Loss) for the year	1,25,73,984	1,43,19,322
Total	14,28,25,203	13,02,51,219
Note 4		
Long - term borrowings		
Term loans		
Secured		
- From banks #	69,59,296	2,51,68,130
Unsecured		
- From Related Party (Directors)	7,55,18,156	8,11,47,939
Total	8,24,77,453	10,63,16,069
Note 5		
Other Long - term liabilities		
Deposit from Customers & Others	67,31,237	49,55,203
Total	67,31,237	49,55,203
Note 6		
Short- term borrowings		
Secured		
- From banks #	10,34,17,694	12,76,70,177
Total	10,34,17,694	12,76,70,177

Term loan from bank carry Interest at floating Rates of 9 to 10.5%. Term Loan-1 is repayable in 5 year in monthly installment and Term Loan-2 is repayable in 48 EMIs. The above bank loan is secured Hypothecation of Land & Building plant situated at plot No.-6, opp. Sheela Foam S No. 91/P4, Village Zaroli, T- Umargav, Dist. Valsad. Other Vehicle loans are secured against hiphothication of vehicles. Working capital facilitie carry floting interest rate of 10.85% to 12% and are secured by way of pari-pasu charge on industrial property located at servay no.49 hissa no.3-4, Vasai, Thane and commercial property situated at Mumbai. Further both the term loans and working capital facilities are further secured by personal guarantees of all the directors. The repayment of all the term loan and vehicle loan is regular.



ROYALARC ELECTRODES LIMITED**Notes forming part of the financial statements**

(Amount in ₹)

	As At March 31, 2019	As At March 31, 2018
Note 7		
Trade Payables		
Acceptances	12,53,84,577	10,33,36,660
Total	12,53,84,577	10,33,36,660
Note 8		
Other Current Liabilities		
Deposit from Customer & Others	2,09,822	2,17,416
Current Maturities of Long Term Loan	1,77,80,668	2,03,65,819
Statutory remittances	17,16,702	12,85,741
Other expenses payable	57,65,570	57,00,575
Total	2,54,72,762	2,75,69,551
Note 9		
Short Term Provisions		
Provision for Income Tax (Net off Advance Tax & T.D.S.)	12,19,816	(5,24,456)
Total	12,19,816	(5,24,456)



Royal Arc Electrodes Limited

Notes forming part of the financial statements

Note 10: Fixed Assets

(Amount in ₹)

Particulars	Gross Block				Accumulated Depreciation			Net Block		
	Balance as on 1st April, 2018	Additions during the year	Deletions/Transfer during the year	Balance as on 31st March, 2019	Balance as on 1st April, 2018	Depreciation charge for the year	Elimination On Disposal Of Assets	Balance as on 31st March, 2019	Balance as on 31st March, 2019	Balance as on 31st March, 2018
Tangible Assets										
Plant & Machinery	14,23,05,013	4,38,470	-	14,27,43,483	4,43,54,542	97,99,589	-	5,41,54,131	8,85,89,352	9,79,50,471
Computers & Data Processing Units	23,62,620	-	-	23,62,620	22,76,340	47,411	-	23,23,751	38,869	86,280
Electrical Installations & Equipment	1,76,45,812	1,47,000	-	1,77,92,812	1,25,71,715	8,82,227	-	1,34,53,942	43,38,870	50,74,097
Tools	1,46,98,221	-	-	1,46,98,221	95,27,708	9,90,663	-	1,05,18,372	41,79,849	51,70,512
Lab Equipment	89,55,280	-	-	89,55,280	58,75,576	7,98,278	-	66,73,854	22,81,426	30,79,704
Office Equipment	84,14,309	57,360	-	84,71,669	73,74,231	5,15,361	-	78,89,592	5,82,077	10,40,078
Furniture & Fittings	36,39,767	-	-	36,39,767	22,40,255	2,89,449	-	25,29,705	11,10,062	13,99,512
Motor Vehicles	99,29,156	5,28,700	13,17,837	91,40,019	39,54,732	11,50,083	9,46,311	41,58,503	49,81,516	59,74,424
Building	6,39,08,984	17,11,000	-	6,56,19,984	1,13,20,395	32,21,513	-	1,45,41,907	5,10,78,077	5,25,88,589
Land	63,60,650	-	-	63,60,650	-	-	-	-	63,60,650	63,60,650
Total	27,82,19,812	28,82,530	13,17,837	27,97,84,505	9,94,95,495	1,76,94,573	9,46,311	11,62,43,757	16,35,40,748	17,87,24,317
Previous Year	25,72,91,621	2,11,94,452	2,66,262	27,82,19,812	8,16,43,602	1,80,92,229	2,40,336	9,94,95,495	17,87,24,317	17,56,48,019
B. Capital Work in Progress										
Plant & Machinery Bhilad	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Previous Year	83,11,929	-	83,11,929	-	-	-	-	-	-	83,11,929
Grand Total	27,82,19,812	28,82,530	13,17,837	27,97,84,505	9,94,95,495	1,76,94,573	9,46,311	11,62,43,757	16,35,40,748	17,87,24,317
Grand Total (Previous Year)	26,56,03,550	2,11,94,452	85,78,191	27,82,19,812	8,16,43,602	1,80,92,229	2,40,336	9,94,95,495	17,87,24,317	18,39,59,948



ROYALARC ELECTRODES LIMITED

Notes forming part of the financial statements

(Amount in ₹)

	As At March 31, 2019	As At March 31, 2018
Note 11		
Non Current Investments		
Other Investment (Unquoted)		
4000 Equity Shares of Rs.25 each of SVC Co. Op. Bank	1,00,000	1,00,000
10323 Equity Shares of Rs.10 each of BMC Co. Op. Bank	1,03,230	1,03,230
Total	2,03,230	2,03,230
Note 12		
Long Term Loans and Advances		
Security Deposits	47,37,914	40,85,721
Loans & Advances to others	8,24,093	38,627
Total	55,62,007	41,24,348
Note 13		
Other Non Current Assets		
Advances for Capital Assets	77,37,088	77,37,088
Total	77,37,088	77,37,088
Note 14		
Inventory		
Raw Material & Packing Material	7,61,41,635	6,17,79,107
Work in Progress	3,50,25,152	2,34,76,061
Finished Goods	3,76,23,849	5,23,71,409
Total	14,87,90,636	13,76,26,578



ROYALARC ELECTRODES LIMITED

Notes forming part of the financial statements

(Amount in ₹)

**As At
March 31, 2019** **As At
March 31, 2018****Note 15****Trade Receivables****(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment**

Unsecured, considered good 54,53,532 78,27,306

(b) Other Trade receivables

Unsecured, considered good 13,54,29,072 12,83,26,660

Total **14,08,82,603** **13,61,53,966****Note 16****Cash and cash equivalents**

Cash on hand 17,15,038 12,76,563

Balance with banks

(a) Current accounts 2,23,45,416 3,12,01,405

(b) Deposit accounts (Bank FDR) 4,37,463 62,98,327

Total **2,44,97,916** **3,87,76,295****Note 17****Short-term loans and advances**

(a) Prepaid Expenses 6,68,849 10,35,322

(b) Balance with government authorities 2,69,39,026 2,69,50,285

(c) Other Loans, Advances & deposits 38,041 10,000

Total **2,76,45,916** **2,79,95,606****Note 18****Other Current Assets**

(a) Accruals

Interest accrued 1,00,640 1,91,498

(c) Advances recoverable 3,67,765 -

Total **4,68,405** **1,91,498**

ROYALARC ELECTRODES LIMITED**Notes forming part of the financial statements**

(Amount in ₹)

	As At March 31, 2019	As At March 31, 2018
Note 19		
Revenue from Operations		
Sale of Products	75,00,94,771	68,27,97,650
Less: Excise Duty	-	1,16,17,272
	75,00,94,771	67,11,80,378
Other Operating Income (Export Incentive)	77,80,129	45,91,184
	75,78,74,900	67,57,71,562
Note 20		
Other Income		
Dividend Income	12,000	12,000
Interest Income	7,01,182	9,96,029
Profit on Sale of Fixed Assets	1,97,843	65,500
Foreign Exchange Fluctuation Gain	-	27,19,215
Insurance Claim Received	13,875	10,85,557
Misc. Income	4,04,541	-
Total	13,29,441	48,78,301



ROYALARC ELECTRODES LIMITED**Notes forming part of the financial statements**

(Amount in ₹)

	As At March 31, 2019	As At March 31, 2018
Note 21		
Cost of Material Consumed		
Opening Stock of Raw Material	6,17,79,107	6,57,36,601
Purchase of Raw Material	57,27,64,303	49,25,32,692
	63,45,43,410	55,82,69,293
Less : Closing Stock of Raw Material	7,61,41,635	6,17,79,107
Total	55,84,01,776	49,64,90,186
Note 22		
Changes in inventory of finished goods		
Inventory at the end of the year		
Finished goods	3,76,23,849	5,23,71,409
Work-In-Progress	3,50,25,152	2,34,76,061
Inventory at the beginning of the year		
Finished goods	5,23,71,409	3,33,16,914
Work-In-Progress	2,34,76,061	2,52,69,640
Total	(31,98,469)	1,72,60,916
Note 23		
Employee Benefits Expense		
Contribution to Provident Fund and other Welfare Funds	19,52,839	24,65,452
Directors' Remuneration	81,24,750	75,00,000
Salaries, Wages & Bonus	4,64,13,787	4,41,68,534
Staff Welfare Expenses	13,44,474	13,00,429
Total	5,78,35,850	5,54,34,415



ROYALARC ELECTRODES LIMITED**Notes forming part of the financial statements**

(Amount in ₹)

	As At March 31, 2019	As At March 31, 2018
Note 24		
Finance Cost		
Interest Expense	1,56,88,222	1,80,49,598
Bank Charges	13,21,918	12,47,313
Other Interest	1,17,418	43,671
Total	1,71,27,558	1,93,40,582
Note 25		
Depreciation and Amortisation		
Depreciation	1,76,94,573	1,80,92,229
Total	1,76,94,573	1,80,92,229
Note 26		
Other Expenses		
Direct Expenses		
Clearing-Forwarding Charges	57,64,473	43,58,720
Excise Duty	-	3,350
Labour Charges	1,95,255	32,24,957
Electricity Charges	1,46,79,854	1,38,88,239
Power & Fuel	31,31,035	27,26,457
Spares, Tools & Consumables	62,07,740	43,34,382
Transport Charges	1,76,45,846	38,30,499
	4,76,24,203	3,23,66,604



ROYALARC ELECTRODES LIMITED**Notes forming part of the financial statements**

(Amount in ₹)

	As At March 31, 2019	As At March 31, 2018
Operating & Other Expenses		
Advertisement	1,12,936	8,92,995
Approval, Testing Expenses & Inspection charges	29,41,108	44,06,116
Auditors Renumeration	-	62,500
Balance W/off.	1,56,866	6,65,617
Commission	29,47,815	54,78,483
Computer Expenses	74,348	3,22,171
Conveyance Exp	1,27,345	2,16,854
Electricity expenses-Office	89,691	1,78,119
Exhibition Exps.	3,33,060	3,74,645
Insurance Charges	27,38,091	26,17,566
Internet Exps.	1,26,679	1,49,028
Hotel Expenses	4,51,580	2,94,529
Legal & Professional Fees	55,74,152	46,12,859
Membership & Subscription	1,26,800	2,94,885
Miscellaneous Expense	6,79,324	6,38,541
Octroi Expense	-	77,677
Prior Period Expenses (ESIC)	45,185	-
Postage & Telegram	5,24,380	6,06,920
Printing & Stationery	5,96,683	6,28,847
Rent, Rates & Taxes	42,89,132	43,35,556
Repairs & Maintenance	46,78,676	49,45,632
Donation	2,03,720	2,01,300
Sales Promotion Exps.	10,64,070	9,87,362
Security Charges	13,17,937	15,83,498
Software Expenses	-	59,000
Sundry Office Expenses	4,29,310	2,46,029
Sundry Factory Expenses	10,24,069	26,50,644
Telephone Charges	2,34,402	4,21,961
Tours & Travelling	37,56,606	35,57,491
Loading Unloading Charges	2,91,006	3,19,553
Sales Tax Expenses	15,93,644	21,59,594
L.D. Charges	4,22,987	-
Loss on Sale of MEIS Licenses	94,788	-
Foreign Exchange Fluctuation Loss	4,74,369	-
Vehicle Expenses-Commercial	21,10,088	20,25,084
	3,96,30,847	4,60,11,057
Total	8,72,55,050	7,83,77,662



ROYALARC ELECTRODES LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2019

27. Balance of Debtors, Creditors and Loans & Advances are subject to confirmation and hence subject to adjustments, if any, arising out of reconciliation.
28. Where external evidence in the form of cash memos, bill, stamped receipts etc. were not available the internal vouchers have been prepared by the company and authorized by authorized signatory.
29. Closing Stock has been taken, valued and certified by the Directors.
30. Management has initiated the process of identifying enterprises, which have provided goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA) and circularized the letters for this purpose. But The company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosures relating to amount unpaid as at the end of the year together with interest payable as required under the said act has not been furnished and provision for interest, if any, on delayed payment is not ascertainable at this stage. However in the opinion of the management it would not be material.
31. In the opinion of the Board of Directors, Current Assets and Loans & Advances have a value on realization in the ordinary course of business equal to the amount at which they are stated in the balance sheet.
32. The company has provided Rs. 52,66,232/- as Provision for Current taxation.
33. The Management is of the opinion that as at the Balance Sheet date, there are no indications of a material impairment in the value of fixed assets. Hence, the need to provide for an impairment loss does not arise.
34. Contingent liabilities and commitments (to the Extent not provided for)

Particulars	As at March 31 st , 2019	As at March 31 st , 2018
Contingent liabilities on account of pending litigations	1,38,39,329	1,38,39,329
O/s Bank Guarantee	79,500	79,500
O/s Letter of Credit	37,60,385	2,59,95,536



ROYALARC ELECTRODES LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2019

35. Deferred tax assets and deferred tax liabilities are arising on account of timing differences on account of:

Particulars	As at 31/03/2019 Amount in Rs.	As at 31/03/2018 Amount in Rs.
Deferred Tax Liabilities:		
Opening DTA/(DTL)	(1,37,58,502)	(1,49,50,555)
Differential Income Tax @25% (plus Cess 4%) on difference between WDV as per book and as per Income tax (current)	1,58,695	11,92,053
Allowance u/s 43B	---	---
Total	1,58,695	11,92,053
Deferred tax Assets / (Liabilities) (net)	(1,35,99,807)	(1,37,58,502)

36. Earning per Equity Share:

Basic and Diluted Earnings per Equity Share are recorded in accordance with Accounting Standard 20 'Earnings per Share'. Earnings per Share is calculated by dividing the profit attributable to the Equity Shareholders (after adjustment for deferred taxes) by the weighted average number of Equity Shares outstanding during the period. The numbers used in calculating Basic and Diluted Earnings per Equity Share are as stated below:

Particulars	For the year 2018-19	For the year 2017-18
Number of shares at the beginning of the year	18,20,000	18,20,000
Number of shares issued during the year	--	--
Number of shares outstanding at the end of the year	18,20,000	18,20,000
Weighted average number of shares outstanding during the year	18,20,000	18,20,000
Net profit after tax	1,25,73,984	1,43,19,322
Basic & Diluted Earnings	6.91	7.87



ROYALARC ELECTRODES LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2019

37. Related Party Disclosures:

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

A. Nature of Transactions:

Sr. No.	Nature of transactions	Key Management personnel	Relative of Key Management personnel	Enterprise under significant influence of Key Management Personnel
1	Remuneration/Salary (Including Bonus)	81,24,750	13,20,486	---
2	Loan taken	15,24,50,507	---	---
3	Loan Repaid	15,80,80,289	---	---
4	Interest Paid	37,13,124	---	---
5	Rent Paid	36,00,000	2,40,000	---
6	Sale of Products	---	---	2,79,35,182
Balance at the end of the year				
1	Unsecured Loan	10,43,19,484	---	

*Figures in brackets pertains to the previous years.

B. List of related parties with whom transactions have taken place and relationships:

i) Key Managerial Personnel :

1. Mr. Bipin S Sanghvi - Director
2. Mr. Kishor A. Shetty - Director
3. Mrs. Savita C. Shetty - Director
4. Mr. Hardik B. Sanghvi - Director
5. Mr. Swagat B. Sanghvi - Director

ii) Relative of Key Managerial Personnel :

1. Mrs. Usha Kishor Shetty
2. Mrs. Ami Hardik Sanghvi
3. Mrs. Pooja Swagat Sanghvi
4. Ms. Karishma Chandrahas Sheety

iii) Enterprise under Significant Influence of Key Managerial Personnel :

Royal Arc Equipment Trading LLC



ROYALARC ELECTRODES LIMITED**NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2019**

Rs.5,00,000/- p.m. or more if employed for a part of the year.

39. The Profit and Loss Account includes:

(i) Remuneration to the Director:

	For the year 2018-19 Amount in Rs.	For the year 2017-18 Amount in Rs.
Remuneration (Including Bonus)	81,24,750	75,00,000

40. Details of actual production:

(Figures in Qty.)

Description	Op. Stock	Production/ Purchase	Sales	Closing Stock
Welding Electrodes(units)	55,41,422 (18,13,987)	5,44,43,068 (7,08,84,222)	5,75,03,838 (6,71,56,787)	24,80,652 (55,41,422)
Welding Electrodes (kg)	2,75,805 (3,05,547)	29,14,022 (30,15,561)	30,60,058 (30,45,304)	1,29,769 (2,75,805)
CO2 Wire	9,015 (26,730)	6,57,840 (6,26,331)	6,35,505 (6,44,046)	31,350 (9,015)
Tig Wire	5,140 (6,650)	30,991 (32,224)	36,131 (33,734)	- (5,140)
Flux Cored wire	35,108 (14,431)	18,09,154 (15,06,464)	18,13,302 (14,85,787)	30,960 (35,108)
MS Scrap	-- --	1,31,635 (2,40,268)	1,31,635 (2,40,268)	-- --
Wooden Wastage	-- --	10,265 --	10,265 --	-- --
Grinding Wheels	-- --	9,420 --	9,420 --	-- --
Electro Slag Welding	-- --	16,634 --	16,634 --	-- --
S.S.Scrap	-- --	3742 --	3742 --	-- --
Total	58,66,490 (21,67,346)	6,00,26,771 (7,63,05,070)	6,32,20,530 (7,26,05,926)	26,72,731 (58,66,490)



ROYALARC ELECTRODES LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS AS AT 31-03-2019

41. Consumption details of raw material:

Particulars	2018-19		2017-18	
	Value	%	Value	%
Imported	4,51,80,803	8.09%	4,84,96,784	9.77%
Indigenous	51,32,20,973	91.91%	44,79,93,402	90.23%

42. The previous year figures have been accordingly regrouped / re-classified to conform to the current year's classification.

Signature to Notes 1 to 42
As Per Our Report of Even Date Attached

For, Ganesh Associates
Chartered Accountants
FRN No. 103056W

For, Royal Arc Electrodes Limited



Ganesh A. Shetty
Proprietor
M. No. 034260
UDIN: 19034260AAAADX7190



Bipin S. Sanghvi
Director
DIN No. 00462839



Kishore A. Shetty
Director
DIN No. 00462833

Place: Mumbai
Date: 25.09.2019

Place: Mumbai
Date: 25.09.2019

(G. A. SHETTY)
CHARTERED ACCOUNTANT
M. No. 34260

FRN - 103056 W



Royal Arc Electrodes Limited

PAN : AAACR4146H

Tax Audit Report

Audit Clause 44AB(a): Business Turnover exceeds 1 Crore

Financial Year	:	2018-2019
Assessment Year	:	2019-2020
Date of Audit Report	:	24/10/2019



Ganesh Associates
Ganesh A Shetty
Chartered Accountants

FORM NO. 3CA

[See rule 6G (1) (a)]

**Audit report under section 44AB of the Income - tax Act, 1961,
in a case where the accounts of the business or profession of a person
have been audited under any other law**

We report that the statutory audit of M/s. **Royal Arc Electrodes Limited, 203 to 205, Business Classic, Malad West, Chincholi Bunder Road, MUMBAI, MAHARASHTRA-400064', PAN - AAACR4146H** was conducted by us Ganesh Associates in pursuance of the provisions of the **Companies Act 2013** Act, and We annex hereto a copy of our audit report dated **25th September, 2019** along with a copy of each of:-

(a) the audited Profit and loss account for the period beginning from **01 April 2018** to ending on **31 March 2019**

(b) the audited balance sheet as at **31 March 2019** ; and

(c) documents declared by the said Act to be part of, or annexed to, the Profit and loss account and balance sheet.

2. The statement of particulars required to be furnished under section 44AB is annexed herewith in Form No. 3CD.
3. In our opinion and to the best of our information and according to examination of books of account including other relevant documents and explanations given to us, the particulars given in the said Form No. 3CD are true and correct subject to the following observations/qualifications, if any:

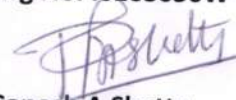
S.No	Qualification	Comments
1	Records necessary to verify personal nature of expenses not maintained by the assessee.	We have relied on the information given provided by the Assessee that all the expenditure has been incurred for business purpose.
2	Others	The particulars given in Form No. 3CD have been compiled and prepared by the assessee
3	Others	We have examined the books of account and records of the assessee on the basis of test checks and materiality as required to give the information in Form No. 3CD.
4	Others	Clause 16(e)/21(a) of Form 3CD ; Capital/Revenue Receipts and / or Capital / Revenue Expenditure have been determined according to our interpretation of the accounting principles and relevant Court Judgements.
5	Others	Clause 21(a) ; No personal expenses of the director(s) / employees have been charged to revenue account other than those payable under contractual obligations or in accordance with generally accepted business practice based on the evidence with the assessee made available to us.
6	Others	Clause 21(b) / 34; Considering the nature, volume and complexity of the assessee's transactions covered by the provisions of Chapter XVII-B regarding deduction of tax at source and payment thereof to the credit of Central Govt. during year, we have relied upon the details furnished in quarterly e-TDS returns filed by the assessee for the year and information & explanations given to us in connection with the compliance of the said provisions.
7	Others	Clause 21(d) (A) & (B) ; There are no cash payments in excess of Rs.10,000 / Rs.35,000 as applicable in terms of section 40A(3)/40A(3A) and Rule 6DD as certified by the assessee and verified from the evidence in possession of the assessee made available to us.
8	Others	Clause 22; Creditors under Micro, Small and Medium Enterprises Development Act, 2006 are not readily ascertainable. However, as per the books of account and information & explanation given to us, payments to all creditors are made within the time agreed upon.



9	Others	Clause 23; Payments to persons specified in Section 40A(2)(b) are accepted as certified by the assessee. Expenses, if any, reimbursed to such persons are not considered to have been covered by sec.40A(2)(b).
10	Others	Clause 31 ; There are no loans or deposits taken or accepted and/or repaid in excess of the limit prescribed in Sec.269SS and/or 269T respectively otherwise than by account payee cheques/bank drafts as certified by the assessee backed by our examination of books of account and relevant documents in possession of the assessee made available to us.
11	Amount of expense related to exempt income u/s 14A of Income-tax Act, 1961 could not be ascertained	In the opinion of the management, there is no such expenditure which has direct nexus with the exempt income. Auditors have relied on this representation of the assessee company.
12	Others	Clause 35 ; Having regard to the nature & volume of the assessee's business and number of products / sizes/ qualities in which it deals, the quantitative information for the year is accepted as verified, valued and certified by the assessee.

Place : Mumbai
Date : 24/10/2019

**For Ganesh Associates
Chartered Accountants
Reg No. :0103056W**



**Ganesh A Shetty
(Proprietor)
Membership No :034260
PAN : AALPS8049L
UDIN : 19034260AAAADW7411**

FORM NO. 3CD

[See rule 6 G(2)]

Statement of particulars required to be furnished under section 44AB of the Income-tax Act, 1961

PART - A

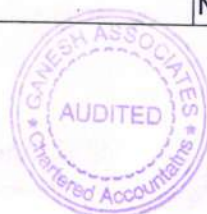
- | | |
|---|--|
| 1. Name of the assessee | Royal Arc Electrodes Limited |
| 2. Address | 203 to 205, Business Classic, Malad West, Chincholi Bunder Road, MUMBAI, MAHARASHTRA-400064 |
| 3. Permanent Account Number (PAN) | AAACR4146H |
| 4. Whether the assessee is liable to pay indirect tax like excise duty, service tax, sales tax, goods and service tax, customs duty, etc. if yes, please furnish the registration number or GST number or any other identification number allotted for the same | Yes
Annexure No - 1 |
| 5. Status | Public Limited |
| 6. Previous year | From 01/04/2018 To 31/03/2019 |
| 7. Assessment year | 2019-2020 |
| 8. Indicate the relevant clause of section 44AB under which the audit has been conducted | Clause 44AB(a) |

PART - B

9. (a)	If firm or association of persons, indicate names of partners/members and their profit sharing ratios.	NA
9. (b)	If there is any change in the partners or members or in their profit sharing ratios since the last date of preceding year, the particulars of such change.	
10. (a)	Nature of business or profession (If more than one business or profession is carried on during the previous year, nature of every business or profession)	Annexure No. : 2
10. (b)	If there is any change in the nature of business or profession, the particulars of such change.	
11. (a)	Whether books of account are prescribed under section 44AA, if yes, list of books so prescribed.	Annexure No. : 3
11. (b)	List of books of account maintained and the address at which the books of accounts are kept. (In case books of account are maintained in a computer system, mention the books of account generated by such computer system. If the books of accounts are not kept at one location, please furnish the addresses of locations along with the details of books of accounts maintained at each location.)	
11. (c)	List of books of account and nature of relevant documents examined.	
12.	Whether the profit and loss account includes any profits and gains assessable on presumptive basis, if yes, indicate the amount and the relevant section (44AD, 44AE, 44AF, 44B, 44BB, 44BBA, 44BBB, Chapter XII-G, First Schedule or any other relevant section.)	No
13. (a)	Method of accounting employed in the previous year.	Mercantile system
13. (b)	Whether there had been any change in the method of accounting employed vis-a-vis the method employed in the immediately preceding previous year.	No



13. (c)	If answer to (b) above is in the affirmative, give details of such change, and the effect thereof on the profit or loss.	
13. (d)	Whether any adjustment is required to be made to the profits or loss for complying with the provisions of income computation and disclosure standards notified under section 145(2)	No
13. (e)	if answer to (d) above is in the affirmative give details of such adjustments:	
13. (f)	Disclosure as per ICDS	Yes
14. (a)	Method of valuation of closing stock employed in the previous year.	Cost or Net Realisable Value, Whichever is Lower.
14. (b)	In case of deviation from the method of valuation prescribed under section 145A, and the effect thereof on the profit or loss, please furnish	No
15.	Give the following particulars of the capital assets converted into stock in trade:-	No
15. (a)	Description of capital asset;	
15. (b)	Date of acquisition;	
15. (c)	Cost of acquisition;	
15. (d)	Amount at which the asset is converted into stock-in-trade.	
16.	Amounts not credited to the profit and loss account, being, -	NIL
16. (a)	the items falling within the scope section 28;	
16. (b)	the proforma credits, drawbacks, refund of duty of customs or excise or service tax, or refund of sales tax or value added tax where such credits, drawbacks or refunds are admitted as due by the authorities concerned;	NIL
16. (c)	escalation claims accepted during the previous year;	NIL
16. (d)	any other item of income;	NIL
16. (e)	capital receipt, if any.	NIL
17.	Where any land or building or both is transferred during the previous year for a consideration less than value adopted or assessed or assessable by any authority of a State Government referred to in section 43CA or 50C, please furnish:	No
18.	Particulars of depreciation allowable as per the Income-tax Act, 1961 in respect of each asset or block of assets, as the case may be, in the following form :-	Annexure No. : 4
18. (a)	Description of asset/block of assets.	
18. (b)	Rate of depreciation.	
18. (c)	Actual cost of written down value, as the case may be.	
18. (d)	Additions/deductions during the year with dates; in the case of any addition of an asset, date put to use; including adjustments on account of-	
18. (d)(i)	Central Value Added Tax credits claimed and allowed under the Central Excise rules, 1944, in respect of assets acquired on or after 1 st March, 1994,	
18. (d)(ii)	Change in rate of exchange of currency, and	
18. (d)(iii)	Subsidy or grant or reimbursement, by whatever name called.	
18. (e)	Depreciation allowable.	
18. (f)	Written down value at the end of the year.	
19.	Amounts admissible under sections:	NIL



	32AC, 32AD, 33AB, 33ABA, 35(1)(i), 35(1)(ii), 35(1)(ia), 35(1)(iii), 35(1)(iv), 35(2AA), 35(2AB), 35(ABB), 35(AC), 35(AD), 35(CCA), 35(CCB), 35(CCC), 35(CCD), 35D, 35DD, 35DDA, 35E :- (a)Debited to Profit and Loss Account and Allowable (b)Not Debited to profit and Loss Account.	
20. (a)	Any sum paid to an employee as bonus or commission for services rendered, where such sum was otherwise payable to him as profits or dividend. [Section 36(1)(ii)]	NIL
20. (b)	Details of contributions received from employees for various funds as referred to in section 36(1)(va):	Annexure No. : 5
21. (a)	Please furnish the details of amounts debited to the profit and loss account, being in the nature of capital, personal, advertisement expenditure etc	Annexure No. : 6
21. (b)	Amounts inadmissible under section 40(a):-	NIL
21. (c)	Amounts debited to profit and loss account being, interest, salary, bonus, commission or remuneration inadmissible under section 40(b)/40(ba) and computation thereof;	NIL
21. (d)	Disallowance/ deemed income under section 40A(3):	Yes
21. (A)	On the basis of the examination of books of account and other relevant documents/ evidence, whether the expenditure covered under section 40A(3) read with rule 6DD were made by account payee cheque drawn on a bank or account payee bank draft. If not, please furnish the details:	
21. (B)	On the basis of the examination of books of account and other relevant documents/ evidence, whether the payment referred to in section 40A(3A) read with rule 6DD were made by account payee cheque drawn on a bank or account payee bank draft If not, please furnish the details of amount deemed to be the profits and gains of business or profession under section 40A(3A);	Yes
21. (e)	provision for payment of gratuity not allowable under section 40A(7),	
21. (f)	any sum paid by the assessee as an employer not allowable under section 40A(9);	NIL
21. (g)	particulars of any liability of a contingent nature;	NIL
21. (h)	amount of deduction inadmissible in terms of section 14A in respect of the expenditure incurred in relation to income which does not form part of the total income;	NIL
21. (i)	Amounts inadmissible under the proviso to section 36(1)(iii).	NIL
22.	Amount of Interest inadmissible under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	NIL
23.	Particulars of payments made to persons specified under section 40A(2)(b).	Annexure No. : 7
24.	Amounts deemed to be profits and gains under section 32AC, 32AD or 33AB or 33ABA or 33AC.	NIL
25.	Any amount of profit chargeable to tax under section 41 and computation thereof.	NIL
26.	In respect of any sum referred to in clause (a), (b), (c), (d), (e), (f) or (g) of section 43B, the liability for which:--	NIL
26.(A)	Pre-existed on the first day of the previous year but was not allowed in the assessment of any preceding previous year and was	
26.(A)(a)	paid during the previous year;	
26.(A)(b)	not paid during the previous year;	



26.(B)	was incurred in the previous year and was	Annexure No. : 8
26.(B)(a)	paid on or before the due date for furnishing the return of income of the previous year under section 139(1);	
26.(B)(b)	not paid on or before the aforesaid date. (State whether sales tax, customs duty, excise duty or any other indirect tax, levy, cess, impost etc. is passed through the profit and loss account.)	No
27. (a)	Amount of Central Value Added Tax credits availed of or utilised during the previous year and its treatment in the profit and loss account and treatment of outstanding Central Value Added Tax credits in the accounts.	NIL
27. (b)	Particulars of income or expenditure of prior period credited or debited to the profit and loss account.	Annexure No. : 9
28.	Whether during the previous year the assessee has received any property, being share of a company not being a company in which the public are substantially interested, without consideration or for inadequate consideration as referred to in section 56(2)(viia), if yes, please furnish the details of the same.	No
29.	Whether during the previous year the assessee received any consideration for issue of shares which exceeds the fair market value of the shares as referred to in section 56(2)(viib), if yes, please furnish the details of the same.	No
29.(a)	Whether any amount is to be included as income chargeable under the head 'income from other sources' as referred to in clause (ix) of sub-section (2) of section 56	No
29.(b)	Whether any amount is to be included as income chargeable under the head 'income from other sources' as referred to in clause (x) of sub-section (2) of section 56?	No
30.	Details of any amount borrowed on hundi or any amount due thereon (including interest on the amount borrowed) repaid, otherwise than through an account payee cheque. [Section 69D]	No
30.(a)	Whether primary adjustment to transfer price, as referred to in sub-section 1) of section 92Ce, has been made during the previous year	No
30.(b)	Whether the assessee has incurred expenditure during the previous year by way of interest or of similar nature exceeding one crore rupees as referred to in sub-section (1) of section 94B	No
31.(a)	Particulars of each loan or deposit in an amount exceeding the limit specified in section 269SS taken or accepted during the previous year :—	Annexure No. : 10 (a)
31.(a)(i)	name, address and Permanent Account Number (if available with the assessee) of the lender or depositor;	
31.(a)(ii)	amount of loan or deposit taken or accepted;	
31.(a)(iii)	whether the loan or deposit was squared up during the previous year;	
31.(a)(iv)	maximum amount outstanding in the account at any time during the previous year;	
31.(a)(v)	whether the loan or deposit was taken or accepted by cheque or bank draft or use of electronic clearing system through a bank account;	
31.(a)(vi)	in case the loan or deposit was taken or accepted by cheque or bank draft, whether the same was taken or	



	accepted by an account payee cheque or an account payee bank draft.	
31.(b)	Particulars of each specified sum in an amount exceeding the limit specified in section 269SS taken or accepted during the previous year:-	None
31.(b)(i)	name, address and Permanent Account Number (if available with the assessee) of the person from whom specified sum is received;	
31.(b)(ii)	amount of specified sum taken or accepted;	
31.(b)(iii)	whether the specified sum was taken or accepted by cheque or bank draft or use of electronic clearing system through a bank account;	
31.(b)(iv)	in case the specified sum was taken or accepted by cheque or bank draft, whether the same was taken or accepted by an account payee cheque or an account payee bank draft.	
	(Particulars at (a) and (b) need not be given in the case of a Government company, a banking company or a corporation established by the Central, State or Provincial Act.)	
31.(ba)	Particulars of each receipt in an amount exceeding the limit specified in section 269ST, in aggregate from a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasion from a person, during the previous year, where such receipt is otherwise than by a cheque or bank draft or use of electronic clearing system through a bank account	None
31.(bb)	Particulars of each receipt in an amount exceeding the limit specified in section 269ST, in aggregate from a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasions from a person, received by a cheque or bank draft, not being an account payee cheque or an account payee bank draft, during the previous year	None
31.(bc)	Particulars of each payment made in an amount exceeding the limit specified in section 269ST, in aggregate to a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasions to a person, otherwise than by a cheque or bank draft, or use of electronic clearing system through a bank account, during the previous year	None
31.(bd)	Particulars of each payment made in an amount exceeding the limit specified in section 269ST, in aggregate to a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasions to a person, made by a cheque or bank draft, not being an account payee cheque or an account payee bank draft, during the previous year	None
31. (c)	Particulars of each repayment of loan or deposit in an amount exceeding the limit specified in section 269T made during the previous year: -	Annexure No. : 10 (c)
31. (c)(i)	name, address and permanent Account Number (if available with the assessee) of the payee;	
31. (c)(ii)	amount of the repayment;	
31. (c)(iii)	maximum amounts outstanding in the account at any time during the previous year;	
31. (c)(iv)	whether the loan or deposit was taken or accepted by cheque or bank draft or use of electronic clearing system through a bank account;	



31. (c)(v)	in case the ewpayment was made by cheque or bank draft, whether the same was taken or accepted by an account payee cheque or an account payee bank draft.	
31.(d)	Particulars of repayment of loan or deposit or any specified advance in an amount exceeding the limit specified in section 269T received otherwise than by a cheque or bank draft or use of electronic clearing system through a bank account during the previous year:—	None
31.(d)(i)	name, address and Permanent Account Number (if available with the assessee) of the lender, or depositor or person from whom specified advance is received;	
31.(d)(ii)	amount of loan or deposit or any specified advance received otherwise than by a cheque or bank draft or use of electronic clearing system through a bank account during the previous year.	
31.(e)	Particulars of repayment of loan or deposit or any specified advance in an amount exceeding the limit specified in section 269T received by a cheque or bank draft which is not an account payee cheque or account payee bank draft during the previous year:—	None
31.(e)(i)	name, address and Permanent Account Number (if available with the assessee) of the lender, or depositor or person from whom specified advance is received;	
31.(e)(ii)	amount of loan or deposit or any specified advance received by a cheque or a bank draft which is not an account payee cheque or account payee bank draft during the previous year.	
	(Particulars at (c), (d) and (e) need not be given in the case of a repayment of any loan or deposit or any specified advance taken or accepted from the Government, Government company, banking company or a corporation established by the Central, State or Provincial Act)	
32. (a)	Details of brought forward loss or depreciation allowance, in the following manner, to the extent available:	No
32. (b)	whether a change in shareholding of the company has taken place in the previous year due to which the losses incurred prior to the previous year cannot be allowed to be carried forward in terms of section 79.	No
32. (c)	Whether the assessee has incurred any speculation loss referred to in section 73 during the previous year, if yes, please furnish the details of the same.	No
32. (d)	whether the assessee has incurred any loss referred to in section 73A in respect of any specified business during the previous year, if yes, please furnish details of the same.	No
32. (e)	In case of a company, please state that whether the company is deemed to be carrying on a speculation business as referred in explanation to section 73, if yes, please furnish the details of speculation loss if any incurred during the previous year.	No
33.	Section-wise details of deductions, if any, admissible under Chapter VIA or Chapter III (Section 10A, Section 10AA).	Annexure No. : 11
34. (a)	Whether the assessee is required to deduct or collect tax as per the provisions of Chapter XVII-B or Chapter XVII-BB, if yes please furnish:	Annexure No. : 12 Yes
(b)	whether the assessee is required to furnish the statement of tax deducted or tax collected. If yes, please furnish the	Annexure No. : 13 Yes

	details	
(c)	whether the assessee is liable to pay interest under section 201(1A) or section 206C(7). If yes, please furnish:	Annexure No. : 14 Yes
35.(a)	In the case of a trading concern, give quantitative details of principal items of goods traded :	None
(i)	Opening Stock;	
(ii)	purchases during the previous year;	
(iii)	sales during the previous year;	
(iv)	closing stock;	
(v)	shortage/excess, if any	
35.(b)	In the case of a manufacturing concern, give quantitative details of the principal items of raw materials, finished products and by-products :	Annexure No. : 15
A.	Raw Materials:	
(i)	opening stock;	
(ii)	purchases during the previous year;	
(iii)	consumption during the previous year	
(iv)	sales during the previous year;	
(v)	closing stock;	
(vi)	*Yield of finished products;	
(vii)	* Percentage of yield;	
(viii)	*shortage/excess, if any.	
B.	Finished products/by-products :	
(i)	opening stock;	
(ii)	purchases during the previous year;	
(iii)	quantity manufactured during the previous year;	
(iv)	sales during the previous year;	
(v)	closing stock;	
(vi)	shortage/excess, if any.	
36.	In the case of a domestic company, details of tax on distributed profits under section 115-O in the following form:-	No
36. (a)	total amount of distributed profits;	
36. (b)	amount of reduction as referred to in section 115-O(1A)(i);	
36. (c)	amount of reduction as referred to in section 115-O(1A)(ii);	
36. (d)	total tax paid thereon;	
36. (e)	dates of payment with amounts.	
36 (A)	Whether the assessee has received any amount in the nature of dividend as referred to in sub-clause (e) of clause (22) of section 2	No 0.00
37.	Whether any cost audit was carried out, if yes, give the details, if any, of disqualification or disagreement on any matter/ item/ value/ quantity as may be reported/ identified by the cost auditor	No



38.	Whether any audit was conducted under the Central Excise Act, 1944, if yes, give the details, if any, of disqualification or disagreement on any matter/ item/ value/ quantity as may be reported/ identified by the auditor.	No
39.	Whether any audit was conducted under section 72A of the Finance Act, 1994 in relation to valuation of taxable services, if yes, give the details, if any, of disqualification or disagreement on any matter/item/value/quantity as may be reported/identified by the auditor	No
40.	Details regarding turnover, gross profit, etc., for the previous year and preceding previous year:	Annexure No. : 16

Serial number	Particulars	Previous year	Preceding previous year
1.	Total turnover of the assessee	75,78,74,900.00	67,57,71,562.00
2.	Gross profit/ turnover	22.70	25.51
3.	Net profit/ turnover	1.66	2.12
4.	Stock-in-trade/ turnover	4.96	7.75
5.	Material consumed/ finished goods produced	75.14	71.46

(The details required to be furnished for principal items of goods traded or manufactured or services rendered)

41.	Please furnish the details of demand raised or refund issued during the previous year under any tax laws other than Income-tax Act, 1961 and Wealth-tax Act, 1957 alongwith details of relevant proceedings	No
42.	Whether the assessee is required to furnish statement in Form No.61 or Form No.61A or Form 61B	No
43.	Whether the assessee or its parent entity or alternate reporting entity is liable to furnish the report as referred to in sub-section (2) of section 286	No

Place : Mumbai
Date : 24/10/2019



For Ganesh Associates
Chartered Accountants
Reg No. :0103056W

Ganesh A Shetty

Ganesh A Shetty
(Proprietor)

Membership No :034260

PAN : AALPS8049L

UDIN : 19034260AAAADW7411

(G. A. SHETTY)
CHARTERED ACCOUNTANT
M. No. 34260

FRN - 103056 W

Royal Arc Electrodes Limited
203 to 205, Business Classic, Malad West, Chincholi Bunder Road, MUMBAI,
MAHARASHTRA-400064

Annexures Forming Part of 3CD For The Period Ended on 31 March 2019

ANNEXURE NO :- 1

Detail of Indirect taxes applicable					
Sno	Nature of Registration	State	Other Indirect Tax/Duty	Description [Not for E-filing]	Reg. No.
1	Central Custom Duty				396037411
2	Goods and Service Tax	GUJARAT			24AAACR4146H1ZM
3	Goods and Service Tax	MAHARASHTRA			27AAACR4146H1ZG

ANNEXURE NO :- 2

Nature of Business & Profession 10 (a)			
Sno	Sector	Sub Sector	Code
1	MANUFACTURING	Other manufacturing n.e.c.	04097

ANNEXURE NO :- 3

List of Books								
Books of Account Prescribed U/s 44AA		Books of Account Maintained						Books of Account Examined
Sn o	Books Prescribed	Books Maintained	Address 1	Address 2	City/Town/District	State	Pin Code	Books Examined
1	None	Bank Book, Cash Book, Journal, Ledgers, Purchase Register, Sales Register, Stock Reg(Computerized)	203 to 205, Business Classic, Malad West	Chincholi Bunder Road	MUMBAI	MAHARASHTRA	400064	Bank Book, Cash Book, Journal, Ledgers, Purchase Register, Sales Register, Stock Reg(Computerized)
2	None	Bank Book, Cash Book, Journal, Ledgers, Purchase Register, Sales Register, Stock Reg(Computerized)	Plot No. 8, Nr. Sheela Foam,	Survey No. 91/4, Village Zaroli, Tal. Umargaon	Valsad	GUJARAT	396130	Bank Book, Cash Book, Journal, Ledgers, Purchase Register, Sales Register, Stock Reg(Computerized)
3	None	Bank Book, Cash Book, Journal, Ledgers, Purchase Register, Sales Register, Stock Reg(Computerized)	Survey No. 49, Hissa No. 3A,	Vil. Devdal, Nr Anupam Stationery, Vasai(E)	Palghar	MAHARASHTRA	401208	Bank Book, Cash Book, Journal, Ledgers, Purchase Register, Sales Register, Stock Reg(Computerized)



Royal Arc Electrodes Limited
203 to 205, Business Classic, Malad West, Chincholi Bunder Road, MUMBAI, MAHARASHTRA-400064

Annexure : 4

Depreciation allowable as per Income Tax Act for the period ended on 31/3/2019

S.No	Description/Block of asset	Opening WDV	Rate	---ADDITIONS---		---DEDUCTIONS---		Capital Gain	Total	Depreciation	Add. Depreciation	Total Depreciation	Closing WDV	Block Nil(Y/N)
				180 Days OR more	Less Than 180 Days	180 Days OR more	Less Than 180 Days							
1	Machinery and plant	67740772.00	15 %	863917.00	307613.00	569367.00	0.00	0.00	68342935.00	10228369.28	56549.30	10320348.58	58058016.42	N
2	Furniture and fittings	3645407.00	10 %			0.00	0.00	0.00	3645407.00	364540.70	0.00	364540.70	3280866.30	N
3	Buildings	43677539.00	10 %	611000.00	1100000.00	0.00	0.00	0.00	45388539.00	4483853.90	0.00	4483853.90	40904685.10	N
4	Machinery and plant	4382635.00	40 %			0.00	0.00	0.00	4382635.00	1753054.00	0.00	1753054.00	2629581.00	N
Total		119446353.00		1474917.00	1407613.00	569367.00	0.00	0.00	121759516.00	16829817.88	56549.30	16886367.18	104873148.82	

As Per Audit Report of Even Date

FOR Royal Arc Electrodes Limited

(Signature)
 (Director)

Place : Mumbai
 Date : 24/10/2019

FOR Ganesh Associates
 (Chartered Accountants)

Reg No. :0103056W

(Signature)

Ganesh A Shetty

Proprietor

Membership No 034260

AALPS8049L



(G. A. SHETTY)
 CHARTERED ACCOUNTANT
 M. No. 34260

FRN - 103056 W

Annexures Forming Part of 3CD For The Period Ended on 31 March 2019

ANNEXURE NO :- 5

Branch Name : Head Office					
Fund Name		PF			
Sr.No.	Month	Contribution	Due Date	Payment Date	Actual Amount
1	APRIL	126029	15/05/2018	16/05/2018	126029
2	MAY	125456	15/06/2018	14/06/2018	125456
3	JUNE	123080	15/07/2018	20/07/2018	123080
4	JULY	120336	15/08/2018	18/08/2018	120336
5	AUGUST	122781	15/09/2018	15/09/2018	122781
6	SEPTEMBER	117064	15/10/2018	16/10/2018	117064
7	OCTOBER	116893	15/11/2018	14/11/2018	116893
8	NOVEMBER	111780	15/12/2018	14/12/2018	111780
9	DECEMBER	113553	15/01/2019	15/01/2019	113553
10	JANUARY	117295	15/02/2019	14/02/2019	117295
11	FEBRUARY	115782	15/03/2019	15/03/2019	115782
12	MARCH	115646	15/04/2019	12/04/2019	115646
Fund Name		ESI			
Sr.No.	Month	Contribution	Due Date	Payment Date	Actual Amount
1	APRIL	12413	21/05/2018	16/05/2018	12413
2	MAY	11675	21/06/2018	14/06/2018	11675
3	JUNE	11638	21/07/2018	21/07/2018	11638
4	JULY	11396	21/08/2018	18/08/2018	11396
5	AUGUST	12054	21/09/2018	15/09/2018	12054
6	SEPTEMBER	11492	21/10/2018	16/10/2018	11492
7	OCTOBER	11476	21/11/2018	14/11/2018	11476
8	NOVEMBER	10583	21/12/2018	14/12/2018	10583
9	DECEMBER	11104	21/01/2019	15/01/2019	11104
10	JANUARY	11781	21/02/2019	15/02/2019	11781
11	FEBRUARY	11369	21/03/2019	15/03/2019	11369
12	MARCH	11769	21/04/2019	12/04/2019	11769

As Per Audit Report of Even Date

FOR Royal Arc Electrodes Limited

(Signature)
(Director)

Place : Mumbai
Date : 24/10/2019



**FOR Ganesh Associates
(Chartered Accountants)
Reg No. :0103056W**

(Signature)
**Ganesh A Shetty
Proprietor
Membership No 034260
AALPS8049L**

**(G. A. SHETTY)
CHARTERED ACCOUNTANT
M. No. 34260**

FRN - 103056 W

ANNEXURE NO :- 6

Amount debited to profit & loss account being in the nature of capital, personal, advertisement expenditure etc.			
Sno	Nature of Expenditure	Description of Expenditure	Amount
1	Personal Expenditure	Donation	2,03,720.00
2	Expenditure by way of any other penalty or fine not covered above	Interest on TDS	14,536.00

ANNEXURE NO :- 7

Particulars of payments made to persons specified under sections 40 A(2)(b)					
Sno	Name of Related Party	PAN No	Relation	Nature	Payment made(Amount)
1	Bipin S Sanghavi	AAJPS1042B	Director	Remuneration(Including Bonus)	16,24,950.00
2	Bipin S Sanghavi	AAJPS1042B	Director	Interest	10,11,781.00
3	Kishor A Shetty	AAGPS2681D	Director	Remuneration(Including Bonus)	16,24,950.00
4	Kishor A Shetty	AAGPS2681D	Director	Interest	10,16,456.00
5	Hardik B Sanghavi	AOBPS1550E	Director	Remuneration(Including Bonus)	16,24,950.00
6	Hardik B Sanghavi	AOBPS1550E	Director	Interest	5,61,901.00
7	Swagat B Sanghavi	BEUPS2409Q	Director	Remuneration(Including Bonus)	16,24,950.00
8	Swagat B Sanghavi	BEUPS2409Q	Director	Interest	6,51,262.00
9	Savita C Shetty	AAQPS4075D	Director	Remuneration(Including Bonus)	16,24,950.00
10	Savita C Shetty	AAQPS4075D	Director	Interest	4,71,724.00
11	Karishma Shetty	DTWPS8800Q	Daughter of Director	Salary	1,25,000.00
12	Usha K Shetty	AAEPS2317Q	Wife of Director	Salary	2,00,000.00
13	Ami H Sanghavi	BCVPS1022G	Wife of Director	Salary(Including Bonus)	4,97,743.00
14	Pooja S Sanghavi	BVBPM0741F	Wife of Director	Salary(Including Bonus)	4,97,743.00
15	Bipin S Sanghavi	AAJPS1042B	Director	Rent	14,40,000.00
16	Kishor A Shetty	AAGPS2681D	Director	Rent	14,40,000.00
17	Hardik B Sanghavi	AOBPS1550E	Director	Rent	2,40,000.00
18	Swagat B Sanghavi	BEUPS2409Q	Director	Rent	2,40,000.00
19	Savita C Shetty	AAQPS4075D	Director	Rent	2,40,000.00
20	Usha K Shetty	AAEPS2317Q	Wife of Director	Rent	2,40,000.00

ANNEXURE NO :- 8

Liability Incurred During the previous year					
Sno	Section	Nature of Liability	Amount Incurred in prv. year but remaining outstanding on last day of prv. year.	Amount paid/set off before the due date of filing return/date upto which reported in the tax audit report, whichever earlier.	Amount Unpaid on the due date of filing return/date upto which reported in the tax audit report, whichever earlier.
1	Sec 43B(a)-tax , duty,cess,fee etc	Professional Tax	24,955.00	24,955.00	0.00
2	Sec 43B(b)-provident /superannuation/gratuity/other fund	Provident Fund	1,16,611.00	1,16,611.00	0.00
3	Sec 43B(b)-provident /superannuation/gratuity/other fund	ESIC	31,877.00	31,877.00	0.00
4	Sec 43B(a)-tax , duty,cess,fee etc	Goods and Service Tax	12,13,654.00	12,13,654.00	0.00



ANNEXURE NO :- 9

Prior Period [Income & Expenditure]				
Sno	Type	Nature of Income/Expenditure	Amount	Prior Period to which it relates (Year in YYYY-YY format)
1	Expenditure Debited	ESIC	45,185.00	2017-18

ANNEXURE NO :- 10

Particulars of Acceptance of Loan or Deposit in an Amount Exceeding the Limit Specified u/s 269SS during the previous year (Clause 31(a))								
Sno	Name	Address	PAN No	Amount of Loan Accepted	Whether Loan Squared up	Maximum Amount Outstanding	Whether the Loan or Deposit was Accepted by Cheque or Bank Draft or Electronic Clearing System	If Loan or Deposit taken or Repaid by Cheque or Bank Draft whether Same by Repaid by Account Payee Cheque or Bank Draft
1	Bipin S Sanghavi	203-205, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai	AAJPS1042B	4,39,34,421.00	No	4,02,76,750.00	Cheque	Account Payee Cheque
2	Hardik B Sanghavi	203-205, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai	AOBPS1550E	34,15,551.00	No	52,05,850.00	Cheque	Account Payee Cheque
3	Kishor A Shetty	203-205, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai	AAGPS2681D	4,34,02,315.00	No	1,98,07,982.00	Cheque	Account Payee Cheque
4	Savita C Shetty	203-205, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai	AAQPS4075D	1,13,76,874.00	No	77,98,035.00	Cheque	Account Payee Cheque
5	Swagat B Sanghavi	203-205, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai	BEUPS2409Q	5,03,21,346.00	No	3,12,31,167.00	Cheque	Account Payee Cheque



Particulars of Each Repayment of Loan or Deposit or any specified advance in an amount exceeding the limit specified in section 269T made during the previous year (Clause 31(c))							
Sno	Name	Address	PAN No	Amount of Repayment	Maximum Amount Outstanding	Whether the Repayment was made by Cheque or Bank Draft or use of Electronic Clearing System through a Bank Account	In case the Repayment was made by Cheque or Bank Draft, whether the same was taken or accepted by an Account Payee Cheque or an Account Payee Bank Draft
1	Bipin S Sanghavi	203-205, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai	AAJPS1042B	6,18,96,135.00	4,02,76,750.00	Cheque	Account Payee Cheque
2	Hardik B Sanghavi	203-205, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai	AOBPS1550E	19,45,146.00	52,05,850.00	Cheque	Account Payee Cheque
3	Kishor A Shetty	203-205, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai	AAGPS2681D	2,97,09,491.00	1,98,07,982.00	Cheque	Account Payee Cheque
4	Savita C Shetty	203-205, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai	AAQPS4075D	1,78,94,161.00	77,98,035.00	Cheque	Account Payee Cheque
5	Swagat B Sanghavi	203-205, Business Classic, Chincholi Bunder Road, Malad (West), Mumbai	BEUPS2409Q	4,66,35,355.00	3,12,31,167.00	Cheque	Account Payee Cheque

ANNEXURE NO :- 11

Deductions under Chapter VIA or Chapter III			
Sno	Section	Gross Amount	Amount admissible as per Income-tax Act, 1961
1	80G	1,92,720.00	96,360.00



ANNEXURE NO :- 12

TDS Details as per chapter XVII-B & XVII-BB										
Sn o	TAN No.	Section	Nature of Payment	Total Amount Paid/ Received as per nature specified in the column 3	Total Amount on which Tax is required to be deducted/ collected out of column 4	Total Amount on which Tax was deducted or collected at specified rate out of column 5v	Amount of Tax deducted or collected out of column 6	Total Amount on which tax was deducted or collected at less than specified rate out of Column 7	Amount of Tax deducted/ collected on column 8	Amount of Tax deducted or collected not deposited to the credit of the central govt. Out of column 6 & 8
(1)	(2)	(3)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	MUMR08788D	192	Salary	98,87,534.00	98,87,534.00	98,87,534.00	12,16,250.00	0.00	0.00	0.00
2	MUMR08788D	194A	Interest other than interest on securities	43,75,747.00	43,75,747.00	43,75,747.00	4,37,575.00	0.00	0.00	0.00
3	MUMR08788D	194C	Payments to contractor and sub-contractors	2,96,25,236.00	2,96,25,236.00	2,96,25,236.00	5,11,873.00	0.00	0.00	0.00
4	MUMR08788D	194H	Commission or brokerage	29,17,430.00	29,17,430.00	29,17,430.00	1,45,875.00	0.00	0.00	0.00
5	MUMR08788D	194I	Rent	38,40,000.00	38,40,000.00	38,40,000.00	3,84,000.00	0.00	0.00	0.00
6	MUMR08788D	194J	Fees for professional or technical services	68,16,046.00	68,16,046.00	68,16,046.00	6,81,609.00	0.00	0.00	0.00
7	MUMR08788D	195	Other sums	6,56,004.00	6,56,004.00	6,56,004.00	2,72,898.00	0.00	0.00	0.00

ANNEXURE NO :- 13

TDS Statement Details						
Sno	TAN No.	Type of Form	Due date of furnishing	Date of furnishing, if furnished	Whether the statement of tax deducted or collected contain information about all transaction which are required to be reported	
1	MUMR08788D	Form 24Q	31/07/2018	21/07/2018	Yes	
2	MUMR08788D	Form 24Q	31/10/2018	01/11/2018	Yes	
3	MUMR08788D	Form 24Q	31/01/2019	30/01/2019	Yes	
4	MUMR08788D	Form 24Q	30/06/2019	30/05/2019	Yes	
5	MUMR08788D	Form 26Q	31/07/2018	21/07/2018	Yes	
6	MUMR08788D	Form 26Q	31/10/2018	31/10/2018	Yes	
7	MUMR08788D	Form 26Q	31/01/2019	30/01/2019	Yes	
8	MUMR08788D	Form 26Q	31/05/2019	24/05/2019	Yes	
9	MUMR08788D	Form 27Q	31/07/2018	31/07/2018	Yes	
10	MUMR08788D	Form 27Q	31/10/2018	31/10/2018	Yes	
11	MUMR08788D	Form 27Q	31/01/2019	30/01/2019	Yes	
12	MUMR08788D	Form 27Q	31/05/2019	24/05/2019	Yes	



ANNEXURE NO :- 14

Interest details paid u/s 201(1A), or 206C(7)				
Sno	TAN No.	Amount of interest u/s 201(1A)/206C(7) is payable	Amount paid out of column(2) along with date of payment	Dates of payment
1	MUMR08788D	5.00	5.00	15/05/2019
2	MUMR08788D	609.00	609.00	20/07/2018
3	MUMR08788D	5430.00	5430.00	17/10/2018
4	MUMR08788D	7770.00	7770.00	01/06/2019
5	MUMR08788D	602.00	602.00	30/07/2018
6	MUMR08788D	1204.00	1204.00	28/04/2018

ANNEXURE NO :- 15-2

Finished Goods								
Sno	Description of Goods	Units	Opening Stock	Purchases	Quantity Manufactured	Sales	Closing Stock	Shortage/Excess, if any
1	Welding Electrodes	NUMBERS	5541422	513070	53929998	57503838	2480652	0
2	Welding Electrodes	KILOGRAMS	275805	6830	2907192	3060058	129769	0
3	CO2 Wire	KILOGRAMS	9015	21210	636630	635505	31350	0
4	Tig Wire	KILOGRAMS	5140	50	30941	36131	0	0
5	Flux Cored Wire	KILOGRAMS	35108	66632	1742522	1813302	30960	0
6	MS Scraps	KILOGRAMS	0	0	131635	131635	0	0
7	SS Scraps	KILOGRAMS	0	0	3742	3742	0	0
8	Wooden Wastage	KILOGRAMS	0	0	10265	10265	0	0
9	Grinding Wheels	KILOGRAMS	0	0	9420	9420	0	0
10	Electro Slag Welding	KILOGRAMS	0	0	16634	16634	0	0




ANNEXURE NO :- 16

Accounting Ratios Current Year(Clause 40)			
Sno	Description	Formula	Ratio
1	Total Turnover		75,78,74,900.00
2	Gross Profit Ratio(%)	$172060771 / 757874900 * 100$	22.7 %
3	Net Profit Ratio(%)	$12573984 / 757874900 * 100$	1.66 %
4	Stock Turnover Ratio(%)	$37623849 / 757874900 * 100$	4.96 %
5	Material Consumed/Finished Goods Produced	$558401776 / 743127339 * 100$	75.14 %

Accounting Ratios Previous Year(Clause 40)			
Sno	Description	Formula	Ratio
1	Total Turnover		67,57,71,562.00
2	Gross Profit Ratio(%)	$172364907 / 675771562 * 100$	25.51 %
3	Net Profit Ratio(%)	$14319322 / 675771562 * 100$	2.12 %
4	Stock Turnover Ratio(%)	$52371409 / 675771562 * 100$	7.75 %
5	Material Consumed/Finished Goods Produced	$496490186 / 694826057 * 100$	71.46 %

As Per Audit Report of Even Date

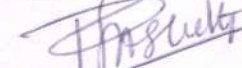
FOR Royal Arc Electrodes Limited


(Director)

Place : Mumbai
Date : 24/10/2019



FOR Ganesh Associates
(Chartered Accountants)
Reg No. :0103056W


Ganesh A Shetty
Proprietor
Membership No 034260
AALPS8049L

(G. A. SHETTY)
CHARTERED ACCOUNTANT
M. No. 34260

FRN - 103056 W

Annexure to the Tax Audit Report u/s 44AB of the I.T. Act, 1961

AY: 2019-20

ROYALARC ELECTRODES LIMITED

ICDS Disclosures

ICDS	Disclosures as per ICDS	Disclosures
ICDS-I: Accounting Policies	As per para 6 of ICDS-I, the following is the disclosure :	
	1) all significant accounting policies adopted by a person	Please refer to note no 1 to financial statements
	As per para 7 of ICDS-I, the following are the disclosures :	
	(a) whether there is any change in an accounting policy which has a material effect	No change
	(b) the amount by which any item is affected by such change	Not applicable
	(c) whether such amount is not ascertainable either wholly or in part. If yes, then specify facts	Not applicable
	(d) whether there is any change made in the accounting policies which has no material effect for the current previous year but which is reasonably expected to have a material effect in later previous years. If yes, then specify facts	No change
ICDS-II: Valuation of Inventories	As per para 26 of ICDS-II, the following are the disclosures :	
	1) the accounting policies adopted in measuring inventories including the cost of formulae used	Please refer to Point No.7 of Note no-1 to financial statements
	2) whether standard costing has been used as a measurement of cost. If yes, then specify details of such inventories and a confirmation of the fact that standard cost approximates the actual cost	No
	3) the total carrying amount of inventories and its classification appropriate to a person	Please refer to note no 14 to financial statements



ICDS-III: Construction Contracts	As per para 24 of ICDS-III, the following are the disclosures :	Not applicable
	1) the amount of contract revenue recognised as revenue in the period	
	2) the methods used to determine the stage of completion of contracts in progress	Not applicable
	As per para 25 of ICDS-III, the following are the disclosures for contracts in progress at the end of the reporting date:	
	3) the amount of costs incurred and recognised profits (less recognised losses) upto the reporting date	
	4) the amount of advanced received	
5) the amount of retentions		
ICDS-IV: Revenue Recognition	As per para 13 of ICDS-IV, the following are the disclosures in respect of revenue recognition :	
	1) in a transaction involving sale of goods, total amount not recognised as revenue during the previous year due to lack of reasonably certainty of its ultimate collection along with nature of uncertainty	Nil
	2) the amount of revenue from service transactions recognised as revenue during the previous year	Not applicable
	3) the method used to determine the stage of completion of service transactions in progress	Not applicable
	4) for service transactions in progress at the end of previous year,	
	(a) amount of costs incurred and recognised profits (less recognised losses) upto end of previous year	Not applicable
	(b) for service transactions in progress at the end of previous year, amount of advances received	Not applicable
	(c) for service transaction in progress, the amount of retentions	Not applicable



ICDS-V: Tangible Fixed Assets	As per para 19 of ICDS-V, the following are the disclosures in respect of tangible fixed assets :	Please refer to Note no-10 to financial statements
	1)description of asset or block of assets	
	2)rate of depreciation	
	3)actual cost or written down value, as the case may be	
	4)additions or deductions during the year with dates; in the case of any addition of an asset, date put to use; including adjustments on account of-	
	i) central value added tax credit claimed and allowed under the Cenvat Credit Rules,2004	
	ii)change in rate of exchange of currency	
	iii)subsidy or grant or reimbursement, by whatever name called	
	5)depreciation allowable	
	6)written down value at the end of year	



ICDS-VII: Governments Grants	As per para 14 of ICDS-VII, the following are the disclosures in respect of government grants :	
	1) nature and extent of government grants recognised during previous year by way of deduction from the actual cost of the asset or assets or from the written down value of block of assets during the previous year	Nil
	2) nature and extent of government grants recognised during the previous year as income	Interest subsidy on Term Loan Rs. 31,45,550/-
	3) nature and extent of government grants not recognised during the previous year by way of deduction from the actual cost of the asset or assets or from the written down value of block of assets and reasons thereof	Nil
	4) nature and extent of government grants not recognised during the previous year as income and reasons thereof	Nil
ICDS-IX: Borrowing Costs	As per para 11 of ICDS-IX, the following are the disclosures in respect of borrowing costs :	
	1) the accounting policy adopted for borrowing costs	Please refer to Point No.10 of Note no-1 to financial statements
	2) the amount of borrowing costs capitalised during the previous year	Nil



ICDS-X: Provisions, contingent liabilities and contingent assets	As per para 21(1) of ICDS-X, the following are the disclosures in respect of each class of provision :	
	1) a brief description of the nature of the obligation	Please refer to Point No. 13 of Note no-1 to financial statements
	2) the carrying amount at the beginning and end of the previous year	Nil
	3) additional provisions made during the previous year, including increases to existing provisions	Nil
	4) amounts used, that is incurred and charged against the provision, during the previous year	Nil
	5) unused amounts reversed during the previous year	Nil
	6) the amount of any expected reimbursement, stating the amount of any asset that has been recognised for that expected reimbursement	Nil
	As per para 21(2) of ICDS-X, the following are the disclosures in respect of each class of asset and related income recognised as provided in para 11:	
	1) a brief description of the nature of the asset and related income	Nil
	2) the carrying amount of asset at the beginning and end of the previous year	Nil
	3) additional amount of asset and related income recognised during the previous year, including increases to assets and related income already recognized	Nil
	4) amount of asset and related income reversed during the previous year	Nil

