Corporate Office:
The First, A Wing, 9th Floor, Behind Keshav Baug Party Plot,
The First Avenue Road, Off 132 ft Ring Road,
Vastrapur, Ahmedabad - 380015 Gujarat, India
Phone : +91-79-29601200/1/2
Fax : +91-79-29601210
E-mail : info@ratnamani.com
Website : http://www.ratnamani.com

RATNAMANI METALS & TUBES LTD.

RMTL/SEC/37TH AGM NOTICE-AR 2020-21 September 2, 2021

BSE Ltd.	**National Stock Exchange of India Ltd.**
Corporate Relationship Department 1st Floor, New Trading Ring, Rotunda Building, P. J. Tower, Dalal Street, Fort, Mumbai – 400 001 Company Code : 520111	"Exchange Plaza", 5th Floor, Bandra – Kurla Complex, Bandra (E), Mumbai - 400 051 Company Code : RATNAMANI

Sub.: Submission of the Annual Report for the FY 2020-21 and the Notice convening 37th Annual General Meeting of the Company.

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report for the FY 2020-21 and the Notice convening 37th AGM of the Company.

Further, in compliance with the relevant circulars issued by Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI"), the Annual Report for the FY 2020-21 and the Notice convening 37th AGM, is being sent to all the Members of the Company whose email addresses are registered with the Company or Registrar & Transfer Agent or Depository Participants.

The 37th AGM of the Company is scheduled to be held on Monday, September 27, 2021, at 10:00 A.M. IST through Video Conferencing / Other Audio Visual Means ("VC/OAVM") in accordance with the aforesaid circulars.

Further, in terms of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the e-voting facility to its Members holding shares in physical or dematerialised form, as on the cut-off date i.e. Monday, September 20, 2021 to cast their votes by electronic means on the resolutions set forth in the Notice of the 37th AGM.

The above information will be made available on the website of the Company at www.ratnamani.com.

Kindly take the above on your record.

Thanking you,

Yours faithfully,
For, RATNAMANI METALS & TUBES LIMITED

Maloo Anil Digitally signed by Maloo Anil
Date: 2021.09.02 14:58:13
+05'30'

ANIL MALOO
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl.: As above

Regd. Office:
17, Rajmugat Society, Naranpura Cross Road, Ankur Road, Naranpura, Ahmedabad - 380 013. Gujarat, India
Phone : +91-79-27415504 / 27478700 E-mail : info@ratnamani.com
CIN : L70109GJ1983PLC006460

RATNAMANI METALS & TUBES LTD.

Prosperity through Performance

THE NEXT CHAPTER

RATNAMANI METALS & TUBES LTD.

37TH ANNUAL REPORT **2020-21**

Corporate Information

BOARD OF DIRECTORS

Shri Prakash M. Sanghvi	Chairman & Managing Director
Shri Jayanti M. Sanghvi	Joint Managing Director
Shri Shanti M. Sanghvi	Whole-Time Director
Shri Pravinchandra M. Mehta	Independent Director
Shri Divyabhash C. Anjaria	Independent Director
Dr. Vinodkumar M. Agrawal	Independent Director
Smt. Nidhi G. Gadhecha	Independent Woman Director

KEY MANAGERIAL PERSONNEL

Shri Vimal Katta	Sr. Vice President (F & A) / C. F. O.
Shri Jigar Shah	Company Secretary and Legal Head (ceased w.e.f. 31.12.2020)
Shri Anil Maloo	Company Secretary and Legal Head (appointed w.e.f. 01.01.2021)

AUDIT COMMITTEE

Shri Divyabhash C. Anjaria	Chairman
Dr. Vinodkumar M. Agrawal	Member
Shri Jayanti M. Sanghvi	Member
Smt. Nidhi G. Gadhecha	Member

NOMINATION AND REMUNERATION COMMITTEE

Shri Divyabhash C. Anjaria	Chairman
Shri Pravinchandra M. Mehta	Member
Dr. Vinodkumar M. Agrawal	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Shri Divyabhash C. Anjaria	Chairman
Dr. Vinodkumar M. Agrawal	Member
Shri Jayanti M. Sanghvi	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri Pravinchandra M. Mehta	Chairman
Shri Prakash M. Sanghvi	Member
Shri Jayanti M. Sanghvi	Member

RISK MANAGEMENT COMMITTEE (Re-constituted effective from June 2, 2021)

Shri Divyabhash C. Anjaria	Chairman
Shri Prakash M. Sanghvi	Member
Shri Jayanti M. Sanghvi	Member
Shri Shanti M. Sanghvi	Member
Shri Manoj P. Sanghvi	Business Head (CS)
Shri Vimal Katta	Sr. Vice President (F & A) / C. F. O.
Shri Rajnikant S. Patel	Sr. Vice President (Project & Operations)

BANKERS

IDBI Bank Limited | ICICI Bank Limited | Axis Bank Limited | HDFC Bank Limited | Citi Bank N. A.

STATUTORY AUDITORS

M/s. S R B C & Co., LLP, Chartered Accountants
M/s. Kantilal Patel & Co., Chartered Accountants

INTERNAL AUDITORS

M/s. G. K. Choksi & Co., Chartered Accountants

COST AUDITORS

M/s. N. D. Birla & Co., Cost Accountants

SECRETARIAL AUDITORS

M/s. M. C. Gupta & Co., Company Secretaries

REGISTERED OFFICE

17, Rajmugat Society, Naranpura Char Rasta, Ankur Road,
Naranpura, Ahmedabad-380013
CIN: L70109GJ1983PLC006460
Phone: +91-79-27415504
Email Id: info@ratnamani.com
Website: www.ratnamani.com

CORPORATE OFFICE

The First, A & B Wing, 9th Floor, Behind Keshav Baug Party Plot, The First Avenue Road, Off 132 Ft Ring Road, Vastrapur, Ahmedabad-380015, Gujarat, India
Phone: +91-79-29601200/1/2
Fax: +91-79-29601210
Email Id: info@ratnamani.com
Website: www.ratnamani.com

WORKS

SS TUBES AND PIPES DIVISION

Survey No.423, Ahmedabad-Mehsana Highway, Village: Indrad, Nr. Chhatral GIDC, Taluka: Kadi, Dist: Mehsana-382715, North Gujarat
Phone: 02764-232254/63, 233766

SAW PIPES DIVISION (CS PIPES DIVISION)

Plot No. 3306-3309, GIDC Estate, Chhatral Phase IV, Ahmedabad-Mehsana Highway, P.O. Chhatral, Taluka: Kalol, Dist: Gandhinagar-382729, Gujarat.
Phone: 02764-232234, 233919, 232409

KUTCH DIVISION

Survey No. 474, Anjar-Bhachau Road, Village: Bhimasar, Taluka: Anjar, Dist: Kutch, Gujarat
Phone: 02836-285538 / 61
Fax: 02836- 285262

SALES OFFICE

MUMBAI

Panchsheel Plaza, B-Wing,
2nd Floor, 55 Gam Devi Road, Nr. Dharam Palace, Mumbai-400007
Phone: 022-43334555, Fax: 022-43334575

NEW DELHI

402, 4th Floor, Bhikaji Cama Bhawan, Bhikaji Cama Place,
New Delhi-110066
Phone: 011-46152724

REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited
(Unit: Ratnamani Metals & Tubes Limited) 5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC -1), Besides Gala Business Centre, Nr. St. Xavier's College Corner, Off C. G. Road, Navrangpura, Ahmedabad-380009,
Phone: 079-26465179 | Email Id: ahmedabad@linkintime.co.in

What's Inside?

Simply Scan

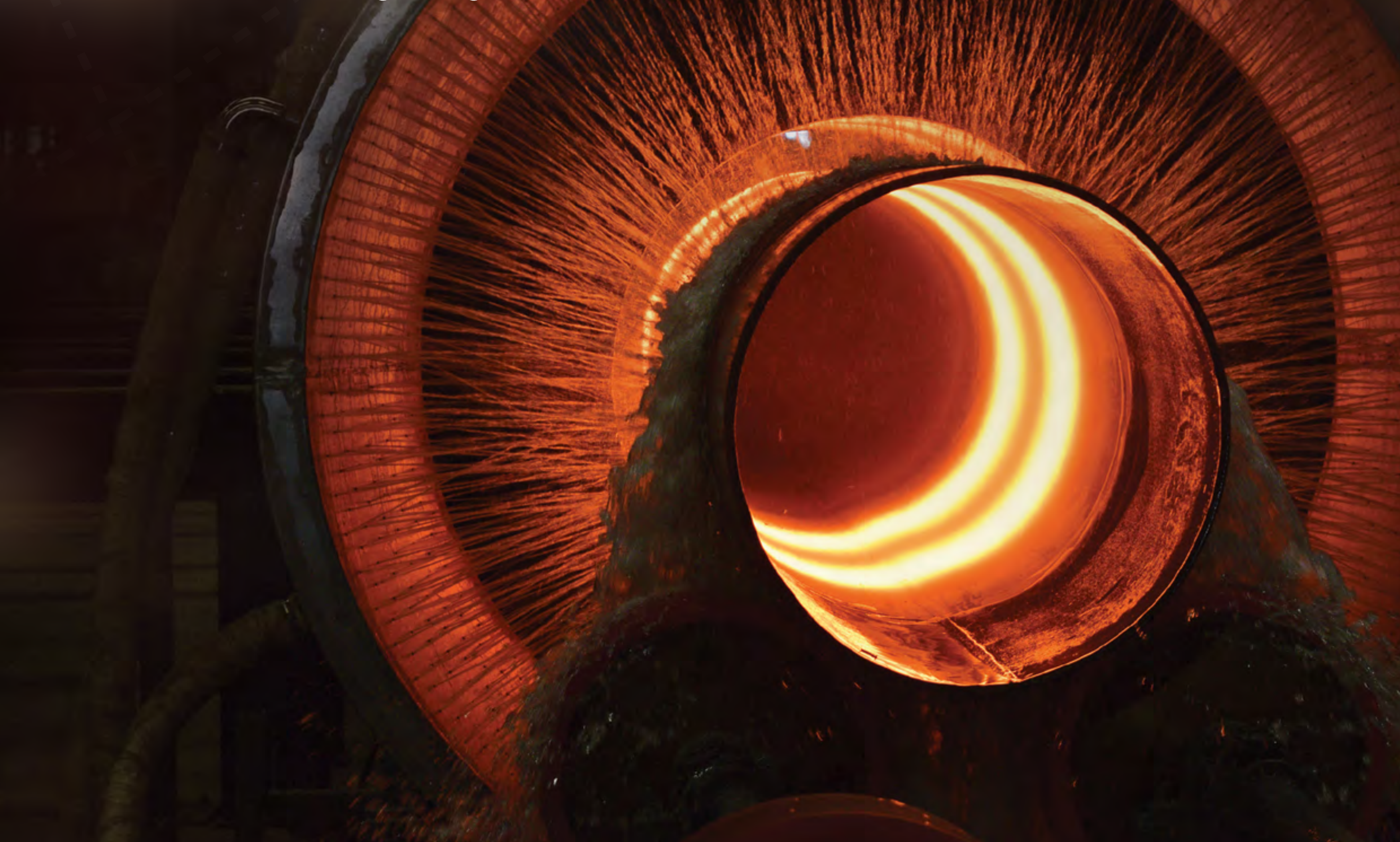
For online version of the annual report, please visit: http://www.ratnamani.com/investors_relations.html

Investor Information

BSE Market Capitalisation as at 31st March, 2021	₹ 8,877.85 Crores
NSE Market Capitalisation as at 31st March, 2021	₹ 8,886.73 Crores
CIN	L70109GJ1983PLC006460
BSE Code	520111
NSE SYMBOL	RATNAMANI
Bloomberg Code	RMT:IN
Dividend	₹ 14 per share
AGM Date and Time	27th September, 2021 at 10.00 A.M.
AGM Mode	Video Conferencing ("VC")

Heading to the NEXT chapter

Being one of the leaders in providing critical tubing and piping solutions to diverse industries for more than three decades, with an impressive clientele in India and around the world, Ratnamani is all set to evolve and explore the next leg of growth. With a clear vision for the future, we are expanding our capacities to meet the demand from the favourable end-user industry growth. We are committed to meeting our clients' needs as well as add value to the stakeholders' expectations as we move forward to the next leg of growth.



What we do?

We manufacture world-class Stainless Steel Seamless and Welded Tubes & Pipes and Carbon Steel Welded Pipes in India since 1983. We are built on a solid foundation and has emerged as one of the significant players in the industry. We have consistently met the needs of clients from various industries by offering a diverse product portfolio.

Where we are?

Headquartered in Ahmedabad with manufacturing facilities at Chhatral & Indrad (near Ahmedabad) and Bhimasar (near Gandhidham, Kutch).

What do we make?

Our diverse portfolio comprises Nickel Alloy/Stainless Steel Seamless Tubes & Pipes, Stainless Steel Welded Tubes & Pipes, Titanium Welded Tubes, Carbon Steel Welded Pipes, and Stainless Steel/Carbon Steel Pipes with Coating, we cater to customers all over the world.

Who are our end users?

Oil & Gas
Refineries
Thermal Power
Nuclear Power
Chemicals
Petrochemicals
Fertilizers

Water Distribution
Sugar
Food & Dairy
Paper
Pharmaceutical
Automobiles
Defence

Aeronautics
Space Applications
Ship Building
Pumping Station
Infrastructure

What are we known for?

- India's largest manufacturer of Stainless Steel Seamless and Welded Pipes & Tubes and Nickel Alloy Pipes & Tubes and Titanium Welded Pipes
- Among India's major manufacturers of Carbon Steel Welded Pipes (ERW, C-Saw, L-Saw and H-Saw)

Key Performance Indicators (KPIs) of 2020-21

₹ 2,341.54 Crores

Revenue

₹ 443.13 Crores

EBITDA#

₹ 275.90 Crores

PAT#

₹ 59.04

EPS#

#EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortisation
#PAT: Profit After Tax
#EPS: Earnings Per Share

Operational Highlights

Product Development

Installation and approval of state-of-the-art L-SAW facility at Bhimasar, Kutch

Capacity Expansion

Installed & commissioned state-of-the-art European extrusion press of 4,500 MT to produce pipes up to 10-inch diameter having capacity of 20,000 MT PA

Installed & commissioned state-of-the-art L-SAW Pipe manufacturing facility with a capacity of 1,20,000 MT PA

Additional finishing line added for Carbon steel ERW pipes, thereby increasing the capacity to 1,25,000 MT PA

Exports

Explored opportunities across newer geographies. Achieved 9.71% growth in exports despite pandemic-related slowdown.

Efficiency Measures

Installation of automatic marking robot, new AUT in ERW and Hydro tester leading to capacity and efficiency improvement in the ERW plant.

Ready with the right set of offerings for the NEXT level of growth

Our diverse product offerings have been growing exponentially to cater to the needs of the diverse end-user industry and making us ready for the next level of growth.

Stainless Steel Division

Products

Heat Exchanger Straight & U-Tubes

- Stainless Steel Seamless Tubes
- Stainless Steel Welded Tubes
- Titanium Welded Tubes
- Seamless Nickel Alloy Tubes

Instrumentation Tubes

- Stainless Steel Seamless

Stainless Steel Seamless

- Stainless Steel Seamless Pipes
- Stainless Steel Welded Pipes
- Stainless Steel 3LPE (3-LayerPolyethylene) / 3LPP (3-LayerPolypropylene) Coated Pipes

Speciality

- Wide product range
- Rich experience of serving various sectors
- NABL accredited laboratory
- Good technical expertise

End-User Industries

- Oil & Gas Exploration
- Refineries & Petrochemicals
- LNG
- Pharmaceutical
- Food and Dairy
- Chemicals & Fertilizers
- Pulp & Paper
- De-salination
- Nuclear, Thermal & Solar
- Power Plants
- Defence
- Atomic Energy
- Automobile
- Aerospace
- Sugar and Paper Industries
- Marine

Carbon Steel Division

Products

High Frequency Electric Resistance Welded (HF-ERW) Pipes

End-User Industries

- Oil & Gas Pipelines
- City Gas Distribution
- General Purpose Applications
- Water Supply
- Structural Pipes Systems

Submerged Arc Welded (SAW) Pipes: H-SAW, L-SAW & C-SAW and Mobile Plant

End-User Industries

- Refinery and petrochemicals
- Oil & Gas Pipelines
- Power Plant
- Water & Sewerage
- Structural Pipes
- Fertilizer Plant Pipes
- Mining Pipes
- Dredging Pipes
- Air duct Pipes

Pipe Coating Solutions

External

- Carbon Steel 3LPE/3LPP/DFBE/SFBE and all other prevalent coatings

Internal

- Food Grade Epoxy/Polyurethane/Coal tar/Cement Lining and other prevalent coatings

End-User Industries

- Oil & Gas Pipelines
- Water Pipelines
- Effluent Lines

Induction Bends

End-User Industries

- Refineries and petrochemicals
- Power Plants
- Structural Pipes
- Oil & Gas Pipelines
- Other Industries

Consistent value creation for the NEXT level preparedness

At Ratnamani, our business model is aligned to create consistent value for our stakeholders. Our capital resources are deployed efficiently, supported by key value enablers, leading to valuable output and outcomes for the future growth.

Inputs: Resources Deployed

Financial Capital

Our financial capital comprises our funding avenues which is largely through equity. These funds are utilised for both operational and capital expenditures.

₹ 9.34 Crores
Equity Capital

₹ 1,986.47 Crores
Shareholders' Fund

Manufacturing Capital

Our manufacturing capital comprises the facilities and equipment used in the production of Steel Tubes and Pipes. We have been consistently investing in this capital to build capacities and meet diverse needs of our end-user industries.

Intellectual Capital

Our intellectual capital comprises our efforts made on strengthening our innovative quotient and technical prowess. We have consistently invested in building up our in-house testing capabilities to meet the global standards.

Human Capital

Our human capital comprises our employees. We consistently invest in their well-being, knowledge, skills, and experience to help us strengthen our value proposition.

2,247
Number of Employees

Social and Relationship Capital

Our social capital and relationship capital comprises our investments towards community well-being and nurturing the interest of the key stakeholders associated with us.

₹ 6.70 Crores
Amount committed on community uplifting initiatives (CSR)

Core Fundamentals

Our Vision

- To attain Global excellence by continuously developing and providing the best quality products and services
- Exceeding expectations of our Customers with innovative products & applications
- Building value for all our stakeholders
- To be a value-driven organisation that is a benchmark in corporate citizenship

Our Differentiators

Products and Services
- Offering wide range of products and services
- Becoming the preferred supplier
- Delivering premium products and services
- Creating value for our customers

Our People
- Fostering team-work
- Nurturing talent
- Enhancing leadership capabilities
- Acting with passion and pace

Our Practices
- Delivering the best, every time
- Adapting robust processes and systems with a future-centric mindset

Our Innovative Mindset
- Developing cutting-edge solutions in technology, processes, and products

Our Conduct
- Providing a safer workplace
- Respecting the environment
- Caring for communities

Our Mission

To be leading Pipes and Tubes Manufacturing Company in Stainless Steel and Carbon Steel Industry

Our Values and Integrity

Customer Focus
We align our actions and applications to cater our customers' needs. Hence, being sincere to our commitment.

Passion
Our passion to excel propels us and the commitment to quality guides us towards success.

Innovation
Innovation with committed involvement is the work ethic. We live by through every phase of our work.

Respect
Recognising and appreciating people for their character, knowledge, intellect, abilities and values.
Honouring them with our complete attention when they communicate and share their points of view with mutual respect. Work with sustainability of inter dependence.

Integrity
Being true to the purpose and transparent.

Responsibility
Owning responsibility with a sense of belonging and striving for environmental protection.

Discipline
Pursue self-discipline in our beliefs, culture and code of conduct. Having pride in being disciplined and courageous with all our stakeholders.

Outputs: Values Created

Financial
- **18.92 %** Operating Profit Margin
- **13.89 %** Return on Equity
- **₹ 59.04** Earnings per Share
- **₹ 14.00** Dividend per Share

Manufacturing
- The country's **largest manufacturer** of Stainless Steel Seamless and in Welded Pipes & Tubes.
- The country's **leading manufacturer** of Nickel Alloy Pipes & Tubes and Titanium Welded Tubes
- One of the **dominant manufacturers** of Carbon Steel Welded Pipes (ERW, L-SAW, H-SAW & C-SAW)

Intellectual
- Over **19 industries** served
- Over **6 categories of pipes** manufactured

Social
- **36 Sanitary** complexes built
- **1,080 Students** benefitted through Ratnamani Education Campus
- Four Female beneficiaries of our **vocational training** module

Human
- **22,431** Man hours training
- **6.80%** Attrition rate
- **9 Years and 6 Months** Average employee tenure

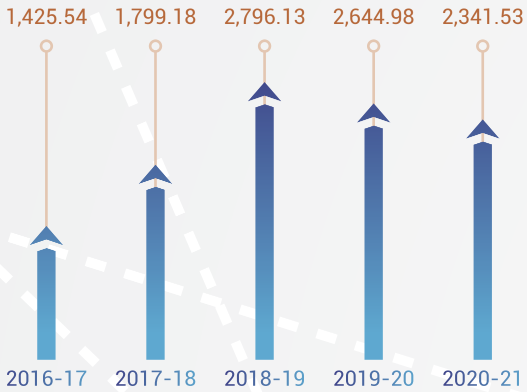
Natural
- **3,679 Trees** planted

Outcomes: Stakeholders impacted

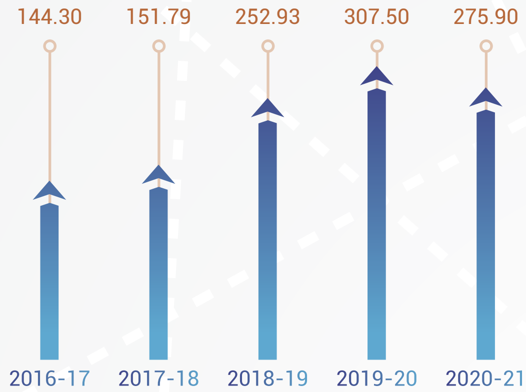
Investors
Customers
Government
Regulatory Bodies
Employees
Communities

Financial Performance Trends

Revenue (₹ in Crores)

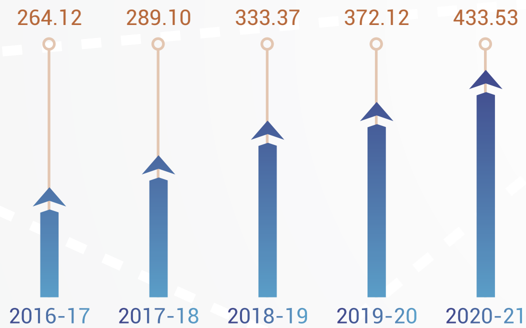


PAT* (₹ in Crores)

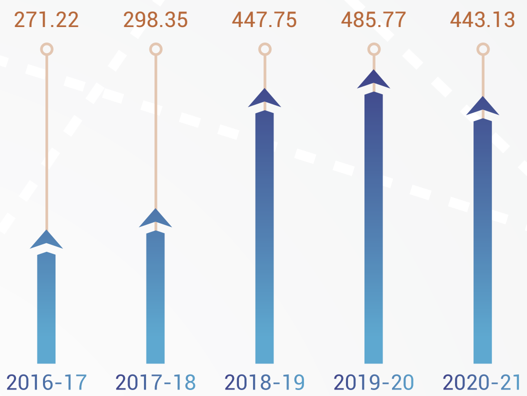


Cash Generated from Operations (₹ in Crores)

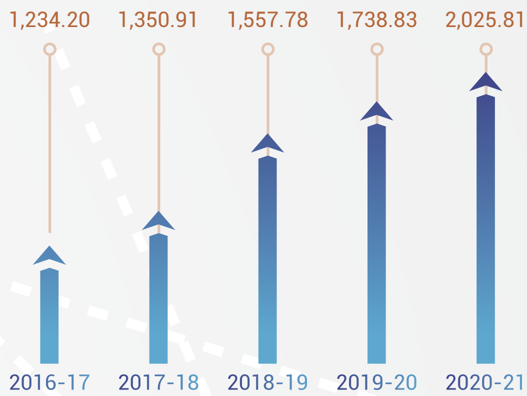
Book Value per Share (₹ in Crores)



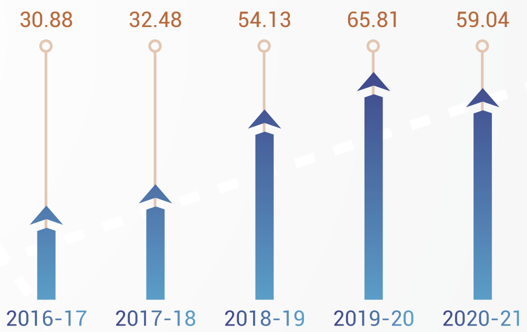
EBITDA* (₹ in Crores)



Net Worth (₹ in Crores)



Earnings Per Share (₹)



Return on Equity (%)

*EBITDA: Earnings Before Interest, Tax, Depreciation, and Amortisation less other non-operating income.
*PAT: Profit After Tax. RoE - Return on Equity. *All the figures are on standalone basis.

Message from the CMD

> Your relentless faith, support and inspiration have gone a long way in helping us create a value-creating organisation

Dear Shareholders,

The financial year 2020-21 has seen some unprecedented events that have significantly affected the lives and businesses all over the world. The World saw a trade war between USA and China, post-Brexit challenges and the pandemic COVID-19. Many people lost their jobs while several businesses went bankrupt. Economy shrunk on a global scale and experienced its slowest pace over the last few decades. We appreciate the efforts of the Government and the frontline warriors who are till date dedicatedly containing the spread of the pandemic.

> There is a strong sense of optimism owing to awareness campaigns and mass vaccination drives across the nation. Our heart goes out to all the departed souls and hope for the quickest recovery of all across the globe.
>
> ”

Navigating Through the Crisis

COVID-19 had a significant impact on the business. Productivity was severely hampered particularly in the first quarter of the year owing to lockdown and limited manpower. As a result, we were unable to operate at full capacities. Besides, restricted travel severely impacted mill approvals from the prospective customers. However, as a part of our business continuity drive, we ensured that things were back on track within no time. We implemented work-from-home policies to the greatest extent possible, while also ensuring mask usage, sanitisation at factories and offices, and following all the Government prescribed protocols. We also focused on optimising costs and maximising cash generation. The Company achieved this with several measures directed across processes that delivered the results we aspired for. As macroeconomic factors remained beyond the control of the organisation, we strategically planned to leverage our operational strengths. Post opening up, we continued with our capex drive to build capacities for the opportunities of tomorrow. And, that's where our 'NEXT Chapter' of growth commences.

Prepared for the Next level of opportunities

While the pandemic disrupted lives as well as businesses across the world, as a company with strong fundamentals, we emerged successful with an overarching focus on business continuity. All the credit goes to the relentless efforts of my team, which showed resilience and delivered exceptional performance amidst challenging circumstances. We successfully implemented our CAPEX plan across both the stainless steel division as well as the carbon steel division by increasing capacities by 20,000 tons and 1,20,000 tons, respectively. In between we had also increased the capacity of carbon steel ERW pipe by about 50,000 tons by installing new finishing line, which is now successfully running our production.

The second wave of pandemic has affected the first quarter of the new year. However, things are now improving slowly and gradually. As the crude oil prices are improving, we are gradually expecting an incremental demand from both Indian and global players. Besides, with China withdrawing export benefits on several products, we are anticipating a strong demand from the US, Europe and Middle East. We are also expecting demand from pharmaceutical, API, and chemical industries going ahead. For the FY 21, exports stood at ₹ 556.79 Crores and contributed 24% to the total sales.

Technological Enhancements

Recognising the tech-heavy future that awaits us, we have invested in latest technological facilities in our company. We are making full utilisation of ERP for total control of our processes and operations. We are continuously upgrading our machinery for higher productivity, and automization for precise results. Innovative methods in the field of logistics are also being tried out, to minimise the transportation costs to the maximum extent possible. Installation of automatic marking robot, new advanced application unit testing in ERW and Hydro tester has improved capacity and efficiency in the ERW plant. The new state-of-the-art LSAW plant is also equipped with automation and latest technology to remain competitive in the market. Even at the existing plant at Chhatral, we have made several advancements in technology, in order to enhance production capacity and product quality.

People and Culture

The Company is adapting to a 'New Normal', becoming smarter and sharper, to further enhance its competencies as an agile enterprise. Attracting and retaining the best talent is key to our journey towards excellence and one of our top priorities. It helps us manage our operations, provide the best service to our clients and support our communities. We try to make Ratnamani as a 'Great Place to Work' by providing good environment and culture with supportive and transparent management. We continue to recognise and reward good performance as well as support the physical, emotional and financial wellness of our team.

> We have continued to make progress in our goal to ensure diverse representation at all levels of our organisation

Towards the Community

We deeply believe that by leaving any segment of our community out of development path, no true development as a whole can be achieved. Our CSR arm has a comprehensive objective to create and support meaningful activities which can address and touch the community at a greater extent. Besides, we also believe in striking a balance between environmental sustainability and socio-economic development. We touched numerous lives through our initiatives in skill development, education, health and environment protection. Even during the lockdown, we continued to engage in activities that complemented Government's relief efforts by distributing medicines, meals, food kits and PPEs.

Outlook

Year 2021-2022 will be challenging because the fight against the pandemic continues. However, we expect economic activity to normalise in many countries that are important for our business, especially with the roll out of vaccination programmes worldwide. We have a strong start to 2021 with a healthy order book and we continue to expect our revenues to increase with niche offerings. The outlook looks promising, with opportunities across Oil & Gas, cross country pipelines and City Gas Distribution projects announced by the Government of India as well as several nations globally. Besides, chemicals and pharmaceuticals also throw upon a strong growth potential. With second wave of the pandemic now plateauing out, we are expecting some movement in the water transportation segment through the 'Har Ghar Nal Se Jal' initiative. On this premise, we see a tremendous opportunity for the industry, and we believe we are well-positioned to 'ride the wave'.

Appreciation

In conclusion, I would like to express my gratitude towards all our valued stakeholders who have continuously supported and encouraged the Company and its Management in our endeavours. Your relentless faith, support and inspiration have gone a long way in helping us create a value-creating organisation. I would like to express a special thanks to our staff and employees who have demonstrated their flexibility and adaptability in the wake of COVID-19. Lastly, I extend my best wishes to all shareholders and their families during these testing times faced by our country.

Best Wishes,
PRAKASH M. SANGHVI
Chairman & Managing Director

Making in India. Delivering Globally.

1	CANADA	10	RUSSIA	19	OMAN	28	EGYPT
2	UK	11	BANGLADESH	20	ITALY	29	TANZANIA
3	GERMANY	12	PHILIPPINES	21	NIGERIA	30	THAILAND
4	FRANCE	13	PERU	22	INDONESIA	31	CHILE
5	SOUTH KOREA	14	USA	23	BRAZIL	32	MEXICO
6	SPAIN	15	KUWAIT	24	MALAYSIA	33	UAE
7	JAPAN	16	QATAR	25	SINGAPORE	34	TURKEY
8	BELGIUM	17	BAHRAIN	26	AUSTRALIA		
9	NETHERLANDS	18	SAUDI ARABIA	27	SOUTH AFRICA		

Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features / states do not necessarily reflect the actual position. The Company or any of its Directors, Officers or Employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection to its accuracy or completeness.

CSR

Our goal at Ratnamani is to increase transparency and hold ourselves accountable for environmental and social impacts. Our strong belief in bringing about social transformation through our sustainability initiatives motivates us and allows us to connect with more people from various communities. The organisation works with communities primarily in the areas of healthcare, education, skill development, and environmental conservation.

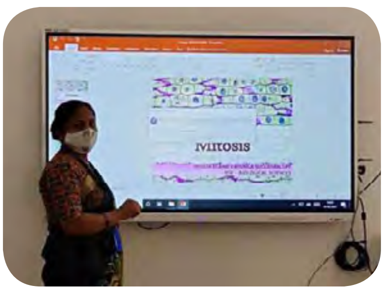
Our support to healthcare service providers

Often, the healthcare providers deal with the pressure to "do more with less". Despite their best of the ability and efforts to increase their efficiency and utilisation of resources, they at times get constrained. We are blessed to have contributed medical equipment for surgery to Gujarat Cancer Society, Ahmedabad and ECG machines to Indian Renal Foundation.

Our contribution towards the CM Relief Fund

The indelible mark of our Honourable Chief Minister's Vision, Leadership and Actions has placed the State of Gujarat at an enviable position. During the difficult times of global pandemic, we were touched by the way the State of Gujarat has taken Public Health, during the first wave of COVID-19 as a MISSION. Ratnamani Parivar contributed generously for the cause.

Our thrust on quality education in rural India



At Ratnamani, our motto is to provide quality education, especially future-oriented education to the rural communities. We provide ongoing assistance through the Shree Mahavir Education Trust in Becharaji. We have installed SMART BOARD EDUCATION SYSTEMS for providing quality education.

We rebuilt 26 Aanganwadi infrastructure in and around Nenava in Banaskantha district, Gujarat. A typical Aanganwadi centre provides basic hygiene education in a village. These centres also provide supplementary nutrition, non-formal pre-school education and health education.

There is a gender gap in education around rural India which can be a result of many intersectional challenges. The most common explanations for this gender gap are poverty, geographic remoteness, lack of infrastructure etc. We consistently encourage the environment of gender equality and provide with various programmes.

Conservation of Natural Resources

World over sustainable development is of paramount importance for the future. We supported the initiative of Gujarat State Government under Sujalam-Sufalam project of deepening & enlargement of water ponds in villages in Kutch and Indrad Region.

We have not only deepened the ponds but also did tree plantations in the periphery of the pond. This has positively resulted soil infiltration, vegetation, biodiversity and ecological balancing in the surrounding area.

Community Service during Pandemic

The COVID-19 pandemic has disrupted the long-established patterns of day to day lives of a large majority of people in the country. Many people have lost their income sources leading to serious social and economic problems for their families. Public health restrictions have drastically curtailed the mobility of people in affected areas, seriously limiting their normal activities.

We undertook various initiatives to provide the much-required relief in terms of medicines, foodkits, arranging for hospital beds, oxygen cylinders, ambulance services, oxygen concentrators, diagnostic kits & equipment, sanitizers etc in the Kutch, Chatral, Becharaji, Nenava and Ahmedabad regions of Gujarat.

Board of Directors

From left to right: Shri Divyabhash C. Anjaria, Shri Pravinchandra M. Mehta, Dr. Vinodkumar M. Agrawal, Shri Jayanti M. Sanghvi, Shri Prakash M. Sanghvi, Shri Shanti M. Sanghvi and Smt. Nidhi G. Gadhecha

Shri Prakash M. Sanghvi

Shri Prakash M. Sanghvi is the Promoter, Chairman and Managing Director on the Board of the Company. He has over 45 years of experience in the Metal and overall corporate Management Covering corporate strategy, developments to functional management.

With his unmatched leadership and strong business acumen, the Company has achieved new milestones year after year on a consistent basis and expanded its presence and built stakeholders' value.

Shri Jayanti M. Sanghvi

Shri Jayanti M. Sanghvi is the Promoter and Joint Managing Director on the Board of the Company. He has over 42 years of experience in Corporate H.R. Management, Administration, Corporate Communication, Liasoning and Corporate Procurement.

His strong Management skills and ability to nurture talents and zeal for efficiency has resulted into sustainable growth and the Company's global footprints.

Shri Shanti M. Sanghvi

Shri Shanti M. Sanghvi is the Promoter and Whole-time Director on the Board of the Company. He has over 40 years of experience in Corporate Relations, Business Development and Customer Management.

His excellent management skills have contributed to business growth and development of the Company.

Shri Pravinchandra M. Mehta

Shri Pravinchandra M. Mehta is an Independent Non-Executive Director on the Board of the Company. He has vast experience in engineering industry, having spent his entire career in the leading engineering corporate namely Larsen & Toubro Limited.

He was an Executive Director on the Board of Larsen & Toubro Limited and was in charge of nine different business units located all over the country. He is extensively experienced in the area of Engineering, Technologies, and International Businesses.

Shri Divyabhash C. Anjaria

Shri Divyabhash C. Anjaria is an Independent Non-Executive Director on the Board of the Company having rich experience in the field of international finance and financial markets. He is an MBA from IIM Ahmedabad and has worked with Citi Bank N.A. and UTI.

Dr. Vinodkumar M. Agrawal

Dr. Vinodkumar M. Agrawal is an Independent Non-Executive Director on the Board of the Company with soft business skills.

Smt. Nidhi G. Gadhecha

Smt. Nidhi G. Gadhecha is an Independent Non-Executive Director on the Board of the Company. She is a Chartered Accountant.

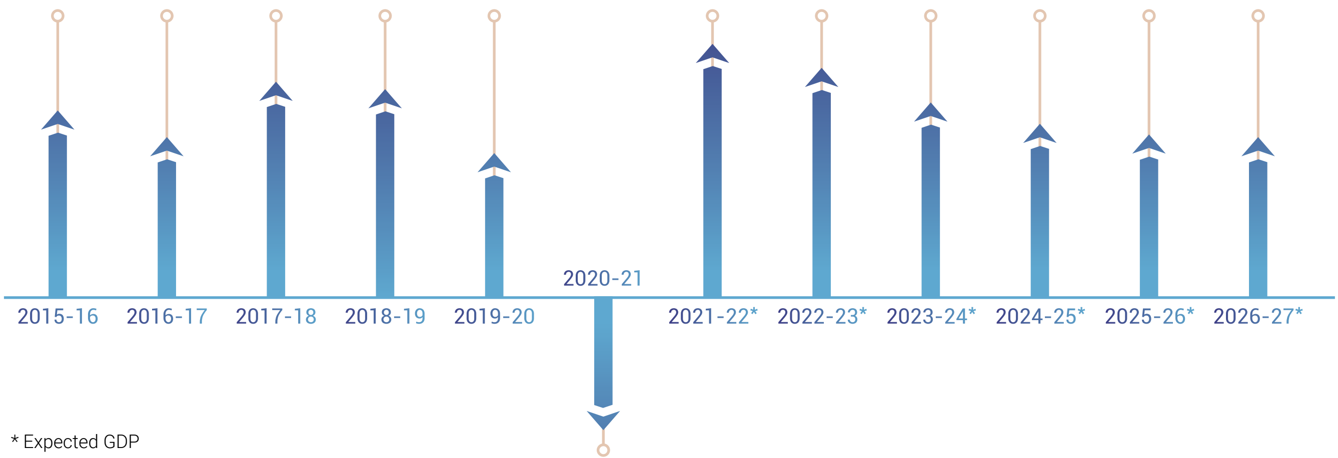
She possesses expertise in functional areas of Corporate Finance, Taxation and other related matters.

Management Discussion & Analysis

Global Economic Overview

FY 2021 made for an invaluable lesson. It was precedented with a significant slowdown in demand and rising protectionism and then underwent several situations such as uncertainties amid the US Presidential elections, the explosion of ammonium nitrate in Beirut (Lebanon), the after-effects of deteriorating US-China trade relations, volatile crude prices, the closure of the Brexit deal, and so on. However, beyond these disruptions was the outbreak of the worldwide COVID-19 pandemic which resulted in severe economic contractions for both developed and developing economies. Trade and tourism were halted, while job and output losses increased dramatically. Crude prices fell because of lower demand due to lockdowns and travel restrictions, putting pressure on global Gross Domestic Product (GDP). After an estimated contraction of (-)3.3% in 2020, the global economy is projected to grow at 6% in 2021, moderating to 4.4% in 2022 up from 4.2% previously estimated *(Source:*

Global GDP Status from 2015-16 to 2026-27



* Expected GDP

(Source: Statista)

Governments around the globe had imposed lockdowns to combat the rising number of COVID-19 infections. They also provided immense support through various monetary and fiscal policies which were aimed at boosting short-term and long-term impacts of the pandemic on consumer behaviour, economic structure, growth, income distribution, trade, debt stability and financial stability. On the premise of a consistent recovery, the rollout of vaccines worldwide, coupled with Government initiatives in large economies are expected to be stronger than previously predicted. The effectiveness of policy support, the rate of immunisation, and the evolution of economies based on the pandemic's direction and impact will all have a significant impact on the future.

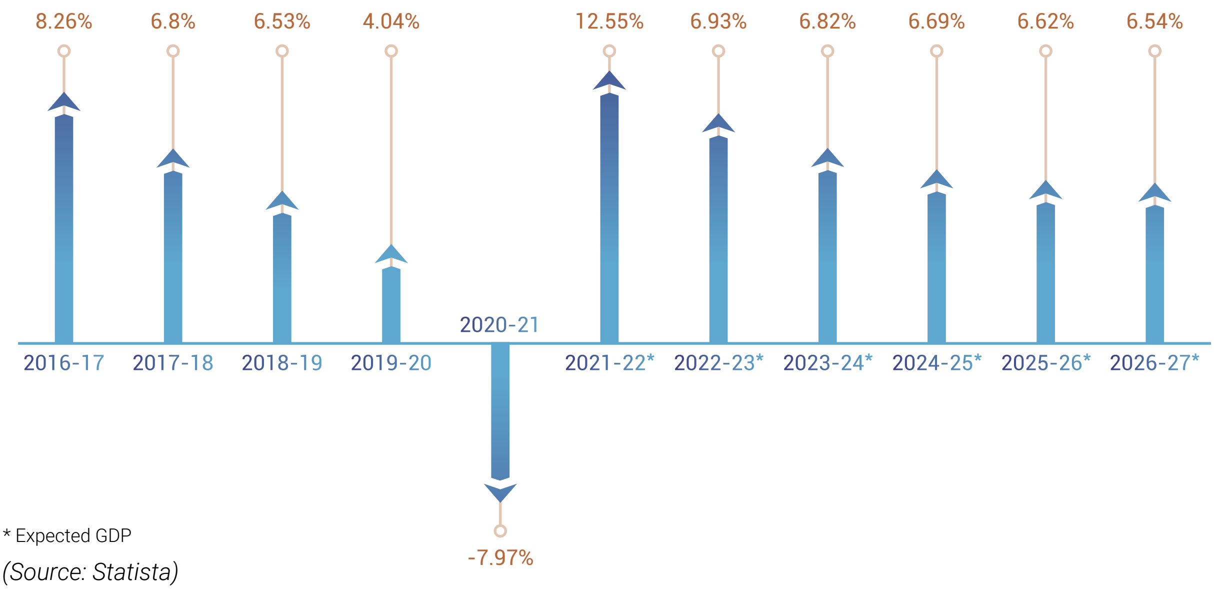
Indian Economic Overview

Like the world's other major economies, India experienced slow growth in FY 2019-20, which was further exacerbated by the pandemic. The Indian economy, in FY 2020-21, shrank by 7.97%. This de-growth was primarily on account of COVID-19 restrictions (janata curfew, 21-day lockdown, and restrictions on trade, travel, hotels, and cinema halls, among many others) and the consequent broad weakness in discretionary sectors, which was evident in the 25% GDP contraction in the first quarter of FY 2020-21. *(Source: www.worldbank.org)*.

On the brighter side, the Government released relief package and the Reserve Bank of India (RBI) introduced accommodative monetary policy for propping up the economy. Together, the Centre and the RBI provided a total fiscal stimulus to the tune of ₹ 29.87 Lakhs Crores between March 2020-November 2020 *(Source: Press Information Bureau, Government of India, Ministry of Finance, 12th November, 2020)*. The Government's multiple vaccines rollout, aggressive immunisation drive, and revival of several infrastructure projects gradually generated positive economic growth. India's GDP is anticipated to grow at the fastest rate among emerging and advanced economies in FY 2021-22 at 12.5% while GDP growth for FY 2022-23 is projected to be 6.9%. India is the only country expected to grow by double digits in fiscal year 2021-22 *(Source: IMF)*.

The Indian economy's V-shaped recovery is displaying strong signs of revival. The country-wide inoculation drive that helped increase mobility and the Government's solid financial impetus to cushion the economy are some of the positive factors collectively contributing to this recovery. Having said that, the second wave of COVID-19 (along with the possibility of more waves going ahead) and the subsequent rise in the number of infections has once again added some uncertainty about the nature and sustenance of the ongoing recovery. But despite these, there still are strong prospects for growth in consumption and investment. Additionally, the GDP is also anticipated to grow at an annual rate of 12.55% in FY 2021-22. *(Source: Statista)*.

Indian Economic GDP Status from 2016–17 to 2026-27



* Expected GDP

(Source: Statista)

Company Overview

Ratnamani Metals and Tubes Limited (hereafter referred to as 'Ratnamani', 'RMTL' or 'the Company') was incorporated in 1983 with the core thought of manufacturing Stainless Steel Pipes and Tubes and Carbon Steel Pipes, and delighting customers through its unparalleled quality. Ratnamani delivers the best piping solutions to a diverse range of industries. The Company's manufacturing facilities, located at Chhatral, Indrad and Kutch in Gujarat, use cutting-edge technology to offer a wide range of Stainless Steel Welded/ Seamless Tubes & Pipes and Carbon Steel Welded Pipes. It serves almost all emerging sectors' niche markets, including Oil & Gas, Refineries & Petrochemicals, Chemical & Fertiliser, Thermal, Solar & Nuclear Power, Defence, Aerospace, and Water Distribution, among others.

Backed by its decades' rich experience, Ratnamani enjoys an impressive clientele that includes prominent public, private, and joint-sector companies around the globe. A sizeable portion of the Company's volume — between 20% - 25% — comes from the export market. Ratnamani supplies Tubes and Pipes in a wide range of Steel grades and dimensions. The Company factors in relevant international standards while manufacturing its products. It also incorporates clients' specific technical parameters when needed. Ratnamani maintains high flexibility in production planning to accommodate its customers' urgent delivery requirements. The Company's long-standing commitment towards offering best quality products and services to its customers has helped it earn clients' loyalty over the years.

In its endeavour to progress consistently, the Company has implemented tried-and-trusted technologies. It constantly upgrades and modifies its manufacturing and testing facilities to keep up with field innovations and improvements. Ratnamani's strength comes from technical excellence and highly trained and motivated employees. The Company's success is built on its consistent innovative approach and focussed efforts.

Outlook

The pandemic significantly impacted the Company's business. The nationwide lockdown imposed to contain COVID-19 infections, the migration of manpower and restrictions on travel and trade hampered the Company's production severely in the first quarter. Gradually, with the unlocking and resumption of economic activities, business started recovering after July. The Company created new Standard Operating Procedures (SOPs) and promptly implemented them. With the second wave of the pandemic, the Company's business operations weren't affected as the Government had not imposed restrictions on manufacturing and trade. As a result, the Company continued its manufacturing and managed to achieve 80-90% of its production with 70-80% of its workforce.

Looking forward, the outlook of the Company seems to be promising, with some major Oil & Gas projects being announced by Government of India and also globally. To stimulate and prop the economy from the impact of the pandemic, state governments around the country has increased spending to stimulate their economies and invest in infrastructure, including the construction of more pipelines. The Company will continuously enhance its manufacturing facilities to provide best-in-class quality products to its customers all over the world.

Results Snapshot (₹ in Crores)

Particulars	FY 2020-21	FY 2019-20
Revenue from Operations	2,298.13	2,585.68
Earnings Before Interest, Tax and Depreciation & Amortisation (EBITDA)	443.13	485.77
Profit After Tax	275.90	307.50
Earnings Per Share (EPS) (in ₹)	59.04	65.81

Key Financial Ratios for FY 2020-21 as Compared to FY 2019-20 (₹ in Crores)

References	Particulars	FY 2020-21	FY 2019-20	% Change Increase (Decrease)
	PROFITABILITY RATIO (%)			
(a)	Operating Profit Margin	18.92	18.37	3.04
(b)	Net Profit Margin	11.78	11.63	1.35
(c)	Return on Net Worth	13.89	18.00	(22.85)*
	WORKING CAPITAL RATIO			
(d)	Debtors Turnover (days)	55.62	45.86	21.28
(e)	Inventory Turnover (days)	108.81	102.39	6.27
	GEARING RATIO			
(f)	Interest Coverage Ratio	16.87	20.38	(17.24)
(g)	Debt Equity Ratio	0.10	0.12	(18.63)
	LIQUIDITY RATIO			
(h)	Current Ratio	3.76	2.65	42.00**

* Due to reduction in turnover and profitability during the financial year on account of COVID-19, the Return on Net Worth has been adversely affected.

** Note: Adjustment of customer advances against sales, repayment of short-term borrowings and reduction in other current liabilities.

Industry Overview

The global Stainless Steel market is expected to reach at $182.2 billion and is expected to register a CAGR of 6.3% by 2027 *(Source: www.grandviewresearch.com)*. The exhilarating rise in consumer goods' demand, witnessed over the last few years, is expected to drive global Stainless Steel's market further. This projection is propelled by various factors such as Stainless Steel's corrosion-resistant nature, its high toughness and ductility, and low maintenance. As a result, these properties have led to increased utilisation of Stainless Steel in consumer products and are expected to drive the product's demand in the years to come.

The Global Carbon Division Pipe Market has been growing at a rapid pace in recent years, with strong growth rates, and it is predicted to grow significantly in the years ahead, between 2020 and 2027. (Source: www.prof-research.com). It is in great demand all around the world, with the Company anticipating demand from industries such as oil and gas, water supply, refineries, mining, city gas distribution, water and sewage. The outbreak of COVID-19 and travel restrictions have reduced demand, but post-COVID-19, the growth aspects are high, and the market momentum indicates that it will continue to rise in the next years.

Steel Pipes and Tubes Industry

The Steel Pipes and Tubes industry is one of the key sectors in the infrastructure development of the country. From the extension of pipelines for river interconnection to providing drinking water to every household, the industry plays a critical role in the development of the nation. This industry accounts for approximately 8% of total Steel consumption in India and is valued at ₹500 billion.

A. Stainless Steel, Nickel Alloy & Titanium Division

Ratnamani's Stainless Steel division primarily manufactures Seamless and Welded Pipes, Heat Exchanger Tubes, Instrumentation Tubes, Welded Titanium Tubes, and Exotic Alloy Seamless Tubes (Incoloy, Inconel and Monel). Last fiscal was a challenging one for the Company and so, it had high hopes of recovery after the first phase of the COVID-19 as the industry returned to normalcy. However, as the second wave of pandemic impacted the European Union, repercussions of the same were felt across the Indian sub-continent as well. As a result, there was an adverse impact on the Company's business. Despite the circumstances, the Company's Stainless Steel division came close to exceeding its revised sales targets for the first time in its history. Ratnamani is now prepared to seize new market opportunities and geared to pursue its targets in the current fiscal year.

The current fiscal will witness Ratnamani entering a new league of manufacturing capabilities with the commissioning of a new Hot Extrusion Press. This is expected to increase the Company's manufacturing capabilities to up to 10-inch NPS (Nominal Pipe Size) Seamless products in Stainless Steel, Nickel Alloys, and Inconel.

The COVID-19 pandemic is far from over yet, and it has had a significant impact on the Company in general and SS business in particular. Several projects, which earlier had been cleared for manufacturing, were put on hold during FY 2020-21. The Company is still awaiting go-ahead for manufacturing for these projects.

a) Oil & Gas, Petrochemicals and Refineries Sector

India is the world's third-largest energy and oil consumer, the fourth-largest importer of liquefied natural gas (LNG), Asia's largest exporter of petroleum products, and has Asia's second-largest refinery. In 2018, crude oil and LNG imports, as a percentage of total production, stood at 82.59% and 45.89%, respectively. By 2022, the Government intends to reduce its reliance on imports by 10%. Natural gas currently accounts for the country's 6% of total energy consumption. This figure is expected to rise to 15% by 2030. From 2017 to 2040, India's oil demand is anticipated to register a CAGR of 4.2%. By 2024, the sector is expected to receive $118 billion in investment *(Source: Ministry Petroleum & Natural Gas).*

India currently has 249 MMTPA (million metric tonnes per annum) of refining capacity spread across 23 refineries. 18 of these refineries are owned by public sector companies, three by private sector companies, and two by a joint venture. The Indian Oil Corporation is the largest domestic refiner, with a capacity of 80.7 MMTPA. It is then followed by the Bharat Petroleum Corporation and Reliance Industries in second and third place, respectively. *(Source: energy.economictimes.indiatimes.com)*

India is projected to be a refining hub in future. Major oil companies such as (Indian Oil Corporation Limited) IOCL, (Hindustan Petroleum Corporation Limited) HPCL, (Bharat Petroleum Corporation Limited) BPCL, (HPCL-Mittal Energy Limited) HMEL, and others have already committed to new investments and expansions of existing refining capacities. New grassroots refineries, at least one in the Western sector and one in the Southern sector, are expected to be built. (HPCL Rajasthan Refinery Ltd) HRRL refinery is starting to take shape, and the Company has already received some good orders for this project. These projects will have a great demand for pipes, and Ratnamani has a good chance of gaining more business from the same.

b) Power: Thermal and Nuclear Sector

Power is a critical component of infrastructure, critical for a nation's economic growth and welfare. The existence and development of adequate infrastructure is critical for the Indian economy's long-term growth. The power sector has taken a back seat in the Indian scenario due to the COVID-19 situation in FY 2020-21. In the Indian scenario, we anticipate a good business from the thermal power sector in the current fiscal year. We expect our export business in the thermal power sector to be reasonably good as well, as we have successfully completed some very critical supplies to international fabricators worldwide.

In terms of the business scenario in the nuclear sector, both domestically and internationally, the Company is well positioned to have some reasonable businesses in the next 5 years. However, because nuclear is such a difficult sector, our products are gaining acceptance not only in the domestic market but also globally, not only for less critical tubing but also in high critical areas.

c) Fertiliser Plants

Despite significant investment in the fertiliser sector being evasive, the consumption of fertilisers has gradually grown, owing to the rising agricultural produce in the country. Having secured approval for the supply of Urea grade Tubes, the Company is among an elite group of a select few suppliers who can expect to get business from fertiliser plants worldwide.

d) Atomic Energy & Aerospace

Department of Atomic Energy, Space Research Organization and Aerospace sector are the future business areas, wherein the Company can be looking for enhanced business opportunities. Looking into the future, the Company has been successfully able to get the necessary approvals for Aerospace industries, which will help it in supplying critical tubing for this sector.

Investments in the Atomic Energy sector in India is on an upward trend and the Company will be definitely benefited, as it is one of the most trusted vendors in this sector.

e) Instrumentation Tubes

Ratnamani continues supplying Instrumentation Tubes to a rapidly increasing range of industries. The Company has now established its global distribution network and continues to supply to all engineering sectors in India.

The Company will also focus on greater approvals from major Auto industries domestically and globally in the next one year. A substantial business is expected from this sector.

Further, due to the continuous innovation in Electric Vehicles (EVs) manufacturing, EVs will take its own time to evolve for wide spread use. Hence, conventional Auto industry shall exist not just temporarily for one year, but for next 5 to 7 years.

Despite the continued impact of COVID-19, the Company is confident about putting up a good performance in terms of sales and booking in the current fiscal year.

B. Carbon Steel Division

The Carbon Steel Division of the Company manufactures Electric Resistance Welded (ERW) and Submerged Arc Welded (L-SAW, H-SAW & Circ. Seam-SAW) pipes. Oil & Gas sector contributed the most to the order basket of this division, with the orders spread largely between ERW and SAW Pipes. The Water sector also made a reasonable contribution to overall sales for the year. On the international front, revenue realisations were primarily derived from the execution of orders from the Oil & Gas sector. The domestic market share is close to 95% of our sales revenue, and exports share around 5% of our sale revenue. The market share varies from year to year as supplies are governed by projects executed in a particular year.

Despite the pandemic, and the loss of operational days, the year was a success. The Government made a major push in the Oil & Gas sector after July 2020, and major tenders were floated. Majority of orders came from the Government's oil and gas sector. Export was hampered by the worldwide COVID-19 pandemic, as well as the subsequent rise in Steel prices. This rise was the reason behind putting major overseas projects on hold or getting shelved. Because of the pandemic, travel was restricted, and major mill approvals were also hampered. Overall business have been affected not only because of COVID-19 but steep rise in steel price and procurement has been delayed both in domestic and international markets.

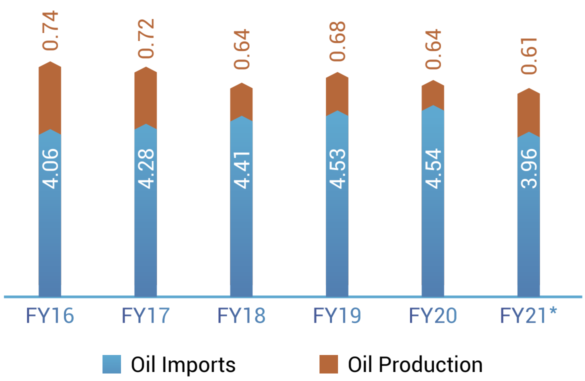
The Company's new LSAW plant at Kutch, Gujarat, is fully functional and ready for commercial production. It is expected to help improve the Company's topline this year and beyond. Engineers India Limited (EIL) and American Petroleum Institute (API) have already approved this plant. With further approvals from International clients, end user approvals, should be able to contribute in topline and bottomline, going forward.

a) Oil & Gas Transmission Lines

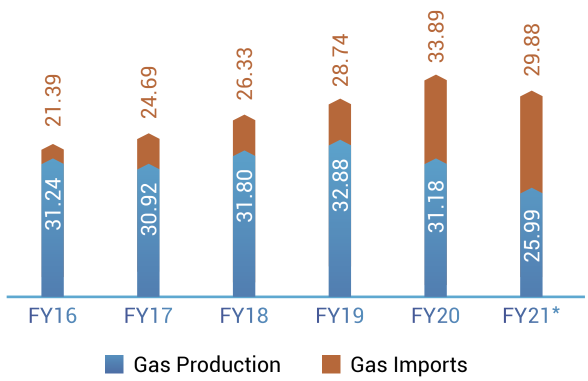
The oil and gas sector is one of India's eight core industries, and it has a significant impact on all other important sectors of the economy. Because India's economic growth is closely related to its energy demand, the demand for oil and gas is expected to rise further, making the sector attractive for investment. To meet the rising demand, the government has implemented several policies. It has permitted 100% Foreign Direct Investment (FDI) in many sectors, including natural gas, petroleum products, and refineries. India is expected to be a major contributor to non-OECD petroleum consumption growth worldwide. Crude oil imports increased dramatically in 2019-20, from US$ 70.72 billion in 2016-17 to US$ 101.4 billion in 2019-20.

(Source: www.ibef.org)

Import and Domestic Oil Production in India (MBPD)



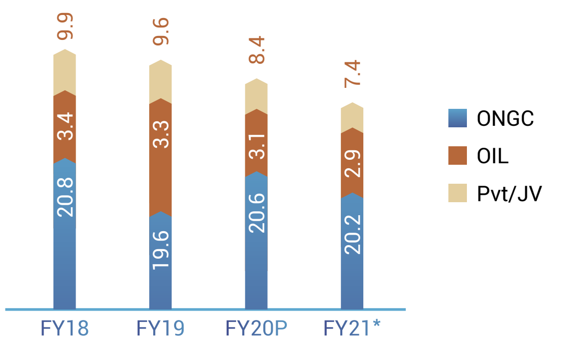
Domestic Gas Production (BCM)



Note: MBPD-Million Barrels Per Day, BCM-Billion Cubic Meters,* Until February 2021

India's crude oil production in FY 2019-20 was 32.2 Million Metric Tonnes (MMT). The same stood at 2.6 MMT in March 2021 and 30.5 MMT in FY 2020-21. Crude oil imports increased to 4.54 million barrels per day in FY 2019-20, up from 4.53 million barrels per day in FY 2018-19. By 2040, natural gas consumption is expected to reach 143.08 million tonnes (MT). During FY 2019-20, India imported 33.68 billion cubic metres of LNG *(Source: www.ibef.org)*

Crude Oil Production (in MMT)



Note: P-Provisional, MMT - Million Metric Tonnes, * Until February 2021

As on 1st January, 2021, India had a network of 18,465 km of Crude Oil pipeline with a capacity of 111.3 MMT per annum (MMTPA). In terms of length, IOCL accounts for 50.91% (9,400 km) of India's crude oil products pipeline network, followed by HPCL at 20.44% (3,775 km). In terms of capacities, IOCL has a share of 41.33% (46.0 MMTPA), followed by HPCL at 31.18% (34.7 MMTPA) *(Source: www.ibef.org)*.

With 8,748 km of refined products pipeline in our country, Indian Oil Corporation (IOC) leads the segment with 50.25% of the total length of product pipeline network, as of March 01, 2019. The top three companies, IOCL, HPCL and BPCL contribute 82.48% of the total length of product pipeline network in the country. Construction of new greenfield refinery at Pachpadra, Barmer and capacity augmentation of other refineries namely NRL at Numaligarh and IOCL Panipat would mean more crude and product lines.

India's Oil and Gas Pipelines

India has six prominent natural gas markets by geographical region - Northern, Western, Central, Southern, Eastern, and North-Eastern. Among these, the Western and Northern markets have the highest consumption of Oil & Gas and petroleum products due to better pipeline connectivity. These areas include states like Gujarat, Maharashtra, and the Delhi-National Capital Region. On the contrary, states like Tamil Nadu, Punjab, Haryana, Jharkhand, Uttarakhand, Karnataka, Kerala, West Bengal, Bihar, Chhattisgarh, Madhya Pradesh, and Odisha have sparse pipeline connectivity. Increased pipeline coverage in these states will help rectify this imbalance. This presents an enormous opportunity for the Company.

b) Oil Exploration

Oil and Natural Gas Corporation Limited- ONGC's oil exploration project, Cluster Series, has provided Ratnamani with a good amount of business in the last two years, and the same is expected to continue in the coming year. The Company has a chance to win the contract for Piling Pipes and Pipes for Jacket and Platform Packages. Indian firms are bidding for international oil exploration projects, and the Company has submitted a bid to support these firms. If the firms, are successful in acquiring these projects, Ratnamani will have a good chance of securing a large amount of business in oil exploration projects.

c) City Gas Distribution (CGD) Lines

In India, the CGD market consists of Compressed Natural Gas (CNG) – primarily used as auto fuel – and Piped Natural Gas (PNG) – used in the domestic, commercial, and industrial segments. Thanks to the country's thriving PNG and CNG segments, its CGD network is expected to expand rapidly in the future.

India's City Gas Distribution (CGD) market is projected to clock in a CAGR of over 15% from 2021 to 2026. Government initiatives to substitute liquefied natural gas (LNG) and conventional fuels like wood and cow dung with natural gas – a cleaner, convenient and cheaper fuel option – are expected to drive the market growth. This, in turn, will also help progress towards the aim of reducing crude oil imports in India. Further, the Government is also planning to increase the share of natural gas in India's energy mix from 6% in 2019 to 15% by 2030.

A new natural gas energy architecture made of LNG Terminals, Cross-Country Transmission Lines and CGD Lines is gradually emerging in the country. India is also witnessing a booming consumption of CNG (used as fuel in auto-rickshaws) and PNG (used in domestic, commercial and industrial segments). Moreover, stringent Government regulations towards pollution emitting vehicles (e.g., BS-VI norms) and rising fuel prices are also expected to increase CNG demand. City gas network in all 228 GAs (402 Districts) as envisioned by GOI continues to be a huge market for ERW pipes.

These factors present a tremendous opportunity for Ratnamani, which we shall capitalise on through our product offerings of ERW, Hot Induction Bending & Coating facilities. The installation and approval of a state-of-the-art LSAW facility for manufacturing line pipe during the fiscal year, gives us a chance to compete and participate in every possible requirement. This adds to our already existing ERW, HSAW, Coating and Induction bending facilities.

Based on the good market scenario the Company has added one more finishing line with 50,000 tonne capacity in ERW pipe thereby expanded our manufacturing capacity in ERW pipes from 75,000 TPA to 1,25,000 TPA which would help in servicing the city gas distribution requirements.

d) Water Infrastructure

India accounts for only 2.4% of the world's land area and 17.7% of its population with only 4% of its water resources. Over 120 million households in India still lack access to safe water *(Source: www.nabard.org)*. By 2030, India's water demand is projected to be twice the available supply, implying severe water scarcity for hundreds of millions of people and an eventual 6% loss in the country's GDP.

Challenges faced by the Indian water sector are due to factors like increasing water consumption and wastage in urban areas, water-borne diseases, industrial growth, political and regulatory disputes, water cycle imbalances, increasing irrigation and agricultural demand, and lack of technology, among others. The State and Central Government initiatives for water infrastructure include Jal Shakti Abhiyaan, Atal Mission for Rejuvenation and Urban Transformation, Namami Gange, Panch Jal Setu Project, Meri Chhat Mera Paani, Mission Kakatiya, Jal Jeevan Hariyali Abhiyaan, among others.

According to estimates, the country's water sector requires investment worth $270 billion or ₹18.5 trillion over the next 15 years to meet the Government's target of piped water supply to all households by 2024. An estimated ₹6.3 trillion of investment will expectedly be required just for the Nal Se Jal scheme *(Source: www.livemint.com)*.

Even Africa and the Middle East have an enormous scope for water projects. Such huge investment in water infrastructure is expected to act as a growth opportunity for the Company's products like HSAW for both the domestic and exports markets.

Middle Eastern countries such as Oman and Saudi Arabia, as well as African regions are of particular interest because many potential water projects are planned for the future. Latin America is also a potential area for mining projects that are being targeted.

Make in India and Aatmanirbhar Bharat

Last year on May 12, to counter the severe impact of the pandemic on the economy, the Government announced a stimulus package to the tune of ₹ 20 lakhs crores under the 'Aatmanirbhar Bharat Abhiyaan' campaign. The value of the package equalled 10% of India's GDP and was introduced with an aim of making the country independent against the tough competition in the global supply chain and to help in empowering the poor, labourers, migrants who have been adversely affected by COVID-19 *(Source: www.prsindia.org/policy/report-summaries/summary-announcements-aatma-nirbhar-bharat-abhiyaan)*. The Government, under the campaign, also outlined five pillars of Aatmanirbhar Bharat – Economy, Infrastructure, System, Vibrant Demography and Demand. The current modified Domestically Manufactured Iron & Steel Products (DMI&SP) Policy and Purchase-preference-Local-Content (PPLC) policy have significantly benefitted the industry and the Make in India initiative. All the pipeline tenders are now domestic tenders, and all (Public Sector Undertaking) PSU requirements are locally met.

Key Risks and Mitigation Strategies

The objective of our risk management is to recognise, assess and manage risks early on and implement appropriate measures to minimise them. Risk management at Ratnamani is a continuous process of analysing and managing all the opportunities and threats that the Company faces while attaining its goals and ensuring continuity of the business. There are many constraints affecting the smooth functioning of the industry in which the Company operates.

Risk	Impact	Mitigation
Competition risk	Competitors can bid at a dramatically lower cost. This can negatively impact the Company's market share, margin profile and return on capital employed.	Being the largest manufacturer of stainless steel pipes & tubes in India with approximately 40% market share, Ratnamani is among the most cost-effective manufacturers of high-end application Stainless Steel Pipes & Tubes and Welded Carbon Steel Pipes in the country. Quality product, timely delivery and niche markets are the ways to mitigate the risk. Value-added products in case of SS products.
Foreign currency exchange rate risk	Approximately 24% of the Company's revenue comes from exports and our imports are also significant.	Due to export and import, the Company has natural hedge against the foreign currency exchange rate fluctuation risk. For balance, the Company mitigates this risk by its robust foreign exchange hedge mechanism and systems, such as forward contracts, futures contracts, options, and swaps.
Raw material price risk	India's Wholesale Price Index inflation hit an 8-year high, at 7.39% in March 2021. The prices of commodities like Nickel, Molybdenum, and Chromium, among others, shot up substantially during 2020-21. This had a serious impact on the prices of Stainless Steel and Nickel Alloy products. Any further increase in steel prices is likely to adversely impact the Company's margin profile.	The Company mitigates this risk by way of booking the raw material as soon as the order is received and not keeping any open position thereby reducing the raw material volatility risk. The Company's products are make to order and hence, the Company does back-to-back booking of raw material.
Raw material availability risk	The supply chain disruption, caused by the measures taken to contain the COVID-19 infections, severely affected Engineering sectors. As a result, availability of SS Scrap, the basic input material for Steel making, became extremely difficult.	Ratnamani's network of reliable suppliers and the Company's long-standing relationships with them helped mitigate this risk.
Labour disputes risk	Industrial disputes lead to industrial action, which impacts the Company's ability to meet its clients' demand.	The Company maintains an open and positive relationship with all the employees, subcontractors, workers which evidenced by not a single instance of any such dispute so far.
Customer attrition risk	A decline in product quality may result in loss of customers and sales for the Company.	Ratnamani's stringent quality control systems and long-standing customer relationships help mitigate this risk. The Company enjoys a marquee customer base including BHEL, NTPC, Siemens, Reliance Industries, L&T, ONGC, GAIL, Qatar Gas, Bechtel, and Exxon, who rely on it for high-quality, reasonably priced Steel pipes.

Impact of COVID-19

The outbreak of Coronavirus (COVID-19) pandemic globally and in India slowed down economic activities. The Company evaluated the impact of this pandemic on its business operations during the year ended 31st March, 2021. With easing of restrictions, Ratnamani gradually resumed operations from 20th April, 2020. However, the Company's capacity was substantially constrained due to disruption in material and people's movements. Work from home, continued mask usage, workplace sanitisation and social distancing helped Ratnamani control COVID-19 incidences, and helped the Company navigate the crisis.

Corporate Governance

The Company's Corporate Governance philosophy is based on conscience, openness, fairness, professionalism and accountability. These qualities are ingrained in Ratnamani's value system and reflected in its policies, procedures and systems. The Company believes in adopting the best Corporate Governance system and also proactively includes public interest in its corporate priorities. The Company is governed in line with the policies, code of conducts, charters and various committees formed in accordance with the law to ensure sound governance. The governance regime of the nation has been strengthened by the Companies Act, 2013, and SEBI Listing Regulations. Ratnamani duly complies with the governance requirements provided under the new law and listing regulations. The Company's adopted policies are in line with new governance requirements, including the Policy on Related Party Transactions, Policy on Material Subsidiaries, CSR Policy and Whistle-Blower Policy. These policies are available on the Company's website at www.ratnamani.com. The Company has established a vigilant mechanism for Directors and employees to report their genuine concerns. Details of the same are provided in the Corporate Governance Report annexed to this Report.

A separate report on Corporate Governance, together with a certificate from the Secretarial Auditors of the Company regarding compliance of conditions of Corporate Governance, as stipulated under the Listing Regulations, is also provided. A certificate of the CMD and CFO of the Company, in terms of Listing Regulations, *inter alia*, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

Human Resources

The Company's management believes in fostering teamwork and encouraging a corporate environment that is self-motivating. Over the years, it has successfully developed a well-motivated workforce by conducting training, rewarding superior performance, and building a creative workplace. Ratnamani remains focussed on being the employer of choice, building an inclusive culture, a solid talent pipeline and capabilities in the organisation. The Company pays special attention to progressive employee relations policies. Accordingly, Ratnamani's HR policies are based on creating an environment that attracts, nurtures and rewards high-calibre talent.

During FY 2020-21, the Company continued building on its diversity and inclusion agenda. It also worked on developing leadership capability and on recognising line managers who provide a simple, flexible and respectful work environment for their teams. The Company is actively working on developing future leaders with the best people practices. A structured leadership development initiative has helped Ratnamani to build a robust talent pipeline at all levels. The Company's Human Resource team is well-geared towards attracting and retaining talented employees. It is working hard to build an ecosystem that provides long-cycle professional development opportunities in various facets of Steel Tubes and Pipes manufacturing while catering to career-building aspirations of talent at all levels. As at 31st March, 2021, Ratnamani had a total of 2,247 employees on its payroll.

Internal Control System

The Company's Corporate Governance Policy guides its conduct of affairs. It clearly delineates the roles, responsibilities and authorities at each level of the Company's three-tiered governance structure and key functionaries involved in governance. The Code of Conduct of the Management in terms of financial and accounting policies, systems and processes. The Corporate Governance Policy and the Code of Conduct stand widely communicated across the Company at all times. Together, with the 'Strategy of Organisation', Planning & Review Processes and the Risk Management Framework, it provides the foundation for Internal Financial Controls with reference to the Company's financial statements – prepared on the basis of the significant Accounting Policies. These policies are carefully selected by the Management and approved by the Audit Committee and the Board. They are further supported by the Corporate Accounting and Systems Policies that apply to the entity as a whole to implement the tenets of Corporate Governance and the significant Accounting Policies uniformly across the Company. The Accounting Policies are regularly reviewed and updated. These, in turn are supported by a set of divisional policies and SOPs, established for individual businesses. The Company uses ERP System as a business enabler and also to maintain its Books of Account. The SOPs, in tandem with transactional controls built into the ERP Systems, ensure appropriate segregation of duties, tiered approval mechanisms and maintenance of supporting records. The Information Management Policy reinforces the control environment. The systems, SOPs and controls are reviewed by divisional management and audited by Internal Audit whose findings and recommendations are reviewed by the Audit Committee and tracked through to implementation. The Company has in place adequate internal financial controls with reference to the financial statements. These controls were tested during the year and no reportable material weakness in the design or operation was observed. Nonetheless, the Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an on-going basis.

The Company has also put in place comprehensive systems and procedural guidelines concerning other areas of business, like budgeting, execution, material management, quality, safety, procurement, asset management, and human resources, among others, These commensurate the Company's size and level of operations. The Management keeps making constant efforts to review and upgrade existing systems and processes to meet the changing needs of the Company's business.

Outlook

The Company believes that its diverse product portfolio and wide geographical presence positions it well to benefit from the tailwinds across all its segments. COVID-19 pandemic has got subsequent disruption of supply chain markets. The Company has witnessed the increase in price internationally as well as demand is also increasing in China, USA, European countries and Middle East. The Company has expanded its capacities and the new segment in order to fulfil the surge in demand. The Company has also got approval of SAWL facility with major Oil & Gas customers within India and Globally. The Company anticipates continuous order and sustainable growth in the future.

Cautionary Statement

Certain statements in the MDA section concerning future prospects may be forward-looking statements which involve a number of underlying identified / non identified risks and uncertainties that could cause actual results to differ materially. In addition to the foregoing changes in the macro-environment, global pandemic like COVID-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk(s), *inter-alia*, to the Company and the environment in which it operates. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based, are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

BUSINESS RESPONSIBILITY REPORT

Your Directors are pleased to present the Business Responsibility Report of the Company for the Financial Year ended on 31st March, 2021.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY:

1	Corporate Identity Number (CIN) of the Company			L70109GJ1983PLC006460
2	Name of the Company			Ratnamani Metals and Tubes Limited
3	Address of the Registered Office of the Company			17, Rajmugat Society, Naranpura Char Rasta, Ankur Road, Naranpura, Ahmedabad - 380 013, Gujarat
4	Website			http://www.ratnamani.com
5	Email id			info@ratnamani.com
6	Financial year reported			1st April, 2020 to 31st March, 2021
7	Sector(s) that the Company is engaged in (industrial activity code-wise):			
	Group	Class	Sub Class	Description
	241	2410	24106	Manufacture of tube and tube fittings of basic iron and steel
8	List three key products/services that the Company manufactures.			The Key products that the Company manufacture are as follows: - Stainless Steel Seamless & Stainless Steel Welded Tubes / Pipes - Nickel Alloy Seamless Tubes - Carbon Steel Welded Pipes - Alloy Steel Welded Pipes - Titanium Welded Tubes - External & Internal Pipes Coatings - Induction Bend
9	Total number of locations where business activity is undertaken by the Company :			
	(a) Number of International Locations (Provide details of major 5)			The Company has its presence throughout the globe including its subsidiary Company namely "Ratnamani INC" located at Sugarland, Taxes (U.S.A.) and also through its agency offices. The major countries where the Company has presence are USA, Europe, Africa, Japan, Saudi Arabia.
	(b) Number of National Locations			The Company has currently its State of the Art manufacturing facilities located in Indrad, Chhatral and Kutch District of Gujarat. The Registered and Corporate Office of the Company are situated in Ahmedabad, Gujarat and the Branch Offices are situated in Mumbai and Delhi.
10	Markets served by the Company – Local/State/ National/International			The Company served Local, State, National and International markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY:

1	Paid up Capital (INR)	₹934.56 Lakhs
2	Total Turnover (INR)	₹2,29,813.15 Lakhs
3	Total profit after taxes (INR)	₹27,589.98 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent ₹ 328.43 Lakhs towards Corporate Social Responsibility (CSR) which constitutes 1.19% of Profit After Tax. In addition to above, the Company has earmarked an amount of ₹341.19 Lakhs for CSR activities for the year 2020-21, to be spent within 3 years in respect of on-going projects.
5	List of activities in which expenditure in 4 above has been incurred:-	a. Education of children in the Rural Area b. Promotion of preventive Healthcare in the Rural Areas c. Rural Development Projects d. Eradicating Hunger e. Ensuring Environmental sustainability f. Promotion of gender equality

SECTION C: OTHER DETAILS:

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

   Yes, the Company has one Subsidiary Company in the State of Texas in United States of America (U.S.A.) namely "Ratnamani Inc.".

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the Parent Company? If yes, then indicate the number of such subsidiary Company(s)**

   At present, the Subsidiary Company does not participate in the BR initiatives of the Company.

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

   We do not mandate our suppliers / traders to participate in the Company's Business Responsibility initiatives.

SECTION D: B R INFORMATION:

1. Details of Director/Directors responsible for BR

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

Sr. No.	Particulars	Details
1	DIN Number	00006354
2	Name	Shri Prakash M. Sanghvi
3	Designation	Chairman and Managing Director

b) Details of the BR Head :

Sr. No.	Particulars	Details
1	DIN (If applicable)	00006178
2	Name	Shri Jayanti M. Sanghvi
3	Designation	Joint Managing Director
4	Telephone No.	079-29601200/01/02
5	Email I.D.	jayanti.sanghvi@ratnamani.com

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility.

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the well-being of all employees
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect, and make efforts to restore the environment
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development.
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Business Responsibility Report (Contd...)

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

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...	Y	N (Note-1)	Y	Y	Y (Note-2)	Y	Refer (Note-3)	Y	Refer (Note-4)
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	-	Y	Y	-	-		Y	
3	Does the policy conform to any national / international standards? If yes, specify? (50 words) *	Y	-	-	Y	-	-		Y	
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	-	-	Y	Y	-		Y	
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	-	-	Y	N	-		Y	
6	Indicate the link for the policy to be viewed online?	**	-	-	***	**	-		***	
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	-	Y	Y	-	-		Y	
8	Does the Company have in-house structure to implement the policy/ policies?	Y	-	Y	Y	-	-		Y	
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	-	Y	Y	-	-		Y	
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y (Note-2)	-	Y	Y	-			Y	

** Yes, the Policy confirm to National standards such as ISO 14001 and OHSAS*

*** http://www.ratnamani.com/investors_relations.html>Codes and Policies>Code>Code of Conduct*

**** http://www.ratnamani.com/investors_relations.html> Codes and Policies>Policy>CSR Policy*

Note - 1: The Company has a systematic process of assessing customer needs fulfilling them with innovative products and services. It also has a customer redressal system.

Note - 2: The policy is embedded in the Company's Code of Business conduct, HR Policies and various other HR Practices.

Note - 3: Compliance reports from designated employees which are discussed at every Board Meeting of the Company.

Note - 4: The Company has a track record of pioneering achievements, long experience and leadership position which has benefitted the current pipe industry at large in initiating dialogue with the government. However, no need for a formal policy has been felt.

Business Responsibility Report (Contd...)

a) **If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles					✓				
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

Governance related to BR

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

- The BR performance of the Company is regularly monitored by the Company and reviewed by the Chairman and Managing Director and respective Departmental Heads, at least once annually.

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

- The Company has started publishing its Business Responsibility Report from the financial year 2016-17. The same can be accessed at the web link at http://www.ratnamani.com/investors_relations.html > Financials > Annual Report. The Business Responsibility Report forms a part of the Annual Report of the Company.

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

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

The Company is committed to do business with ethical business practices. It acts with integrity in all aspects of its business. The Company has a Code of Business conduct and a Vigil Mechanism / Whistle Blower Policy that are approved by the Board of Directors. These are applicable to all the Board Members and Senior Management. This highlights Ratnamani's commitment to ethical and transparent corporate governance practices.

The philosophy of Ratnamani in relation to Corporate Governance is to ensure transparent disclosures and reporting that conforms fully to laws, regulations and guidelines with the primary objective of enhancing shareholders' value while being a responsible corporate citizen.

The code is available on the Company's website at its web address: http://www.ratnamani.com/download/Code_and_Policy/Code_of_Conduct.pdf & http://www.ratnamani.com/download/Code_and_Policy/Vigil_Mechanism_Policy.pdf.

Further, to strengthen Company's commitment against workplace harassment, Ratnamani has come out with sexual harassment order in line with the Sexual Harassment of Women at Workplace Act, 2013, which is strictly governed and enforced across the organisation.

Business Responsibility Report (Contd...)

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

The details of the complaints received and redressed during the year is as given below:

Particulars	Pending as on 31st March, 2020	Received during FY 2020-21	Redressed during FY 2020-21	Pending as on 31st March, 2021
Customer complaints	00	00	00	00
Investor complaints	00	02	02	00

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

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

The Company's business activities comprise of manufacturing of Stainless Steel Pipes and Tubes and Carbon Steel Pipes and Induction Bend. It has incorporated social as well as environment concerns, risks and/or opportunities in each of these as under.

- All the units of the Company are certified covering ISO 9001 (Quality management system), OHSAS 18001 (Occupational Health and safety Assessment series), ISO 14001 (Environment Management System).
- Solar roof panel facility has been used at Indrad Manufacturing Facility.
- CFL lights have been replaced to LED for power saving in the premises.
- State of the Art technologies in its pipe manufacturing and coating plants, includes installation of advanced machinery with green fuel type heat treatment furnace.
- We have installed 8 units of wind power mill. The recovery rate of energy from such fuels is 50-60 % (approx.).

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

The Company has procedures in place for sustainable sourcing. Further, suitability is even extended to suppliers / vendors. All requirements on various aspects such as Health & Safety and Environment protection are regularly audited and met.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?** If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

No.

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

Yes, the Company has taken several steps to procure goods and services from local and small vendors in order to promote entrepreneurship among them. Some of these initiatives include.

- 80% sourcing of consumables as well as services are procured from local vendors
- An equal opportunity in form of employment is given to differently abled people, destitute women and people from weaker sections
- Opportunities are also been regularly given to the MSMEs / SMSEs

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

   Being a responsible corporate citizen, the Company believes in "Reducing, Reusing and Recycling" principle. Some of the initiatives taken by our Company are:

   - Re-use of treated effluent water in processes.
   - Re-use of treated sewage water in gardening.
   - Recharge ground water through rainwater recharge well.
   - Hazardous wastes e.g. used oil; e-wastes, batteries etc. are disposed to authorised recyclers.

Principle 3: Businesses should promote the wellbeing of all employees

1. Please indicate the Total number of employees. – 2,247
2. Please indicate the Total number of employees hired on temporary / contractual / casual basis. – 1,118
3. Please indicate the Number of permanent women employees. – 9
4. Please indicate the Number of permanent employees with disabilities – 22
5. Do you have an employee association that is recognised by management – NA
6. What percentage of your permanent employees is members of this recognised employee association? – NA
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

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

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Category	Percentage
a) Permanent Employees	80.00 %
b) Permanent Women Employees	80.00 %
c) Casual / Temporary / Contractual Employees	100.00 %
d) Employees with Disabilities	90.00 %

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

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

   Yes, the Company has mapped its internal and external stakeholders.

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

   Yes, the Company has identified the disadvantaged, vulnerable and marginalized stakeholders, namely the communities around its manufacturing sites and its workers, supervisory staff.

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

   The Company has identified the need of the communities spread around its significant area of business / manufacturing units for providing education to children in rural areas, promotion of preventive healthcare in rural areas, enhancing vocational skills amongst women and children, ensuring environmental sustainability, conservation of ecology, etc.

Business Responsibility Report (Contd...)

Principle 5: Businesses should respect and promote human rights

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

   There is no formal policy on Human Rights but the management style / work environment believes and practices the Human Rights within the Company.

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

   There have been no complaints regarding breach of human rights aspects in the reporting period.

Principle 6: Business should respect, protect, and make efforts to restore the environment

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

   The policy related to Principle 6 covers only the Company.

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

   No.

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

   Yes, we identify environmental aspects and determine significant environmental impact and risk of each activity.

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

   No, the Company has no project related to Clean Development Mechanism.

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

   Yes, Hazardous wastes e.g. used oil; e-wastes, batteries, etc. are disposed to authorised recyclers.

   - We have installed Roof Top Solar system & wind Power for renewable energy.
   - Re-use of treated effluent water in grading and other processes.
   - Use of vegetation and food waste in making compost which in turn is used in fertilisation and making of manure for the garden.
   - Hazardous wastes e.g. used oil; e-wastes, batteries, etc. are disposed of only to authorised recyclers.
   - Treated solid waste is also disposed of only to authorised land filling site
   - The Company has strong focus on clean technology, energy efficiency and renewable energy. Our renewable energy portfolio includes 27 MW based energy generation at various places in Gujarat.

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

   Yes, the Emissions / Waste generated by the Company are within the permissible limits given by Central Pollution Control Board (CPCB) / State Pollution Control Board (SPCB) for the reporting period.

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

   No show cause/legal notices received from CPCB/SPCB as on the end of financial year.

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

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

   The Company is associated / member of the following associations:

   a) Bombay Chamber of Commerce and Industry

   b) Gujarat Chamber of Commerce and Industry

   c) Ahmedabad Management Association

   d) Process Plant and Machinery Association of India

   e) Federation of Industries of India

   f) Federation of Kutch Industries Associations

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

   Although, the Company is member of the Associations, it has not lobbied in the above areas.

Principle 8: Businesses should support inclusive growth and equitable development

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

   Yes, in compliance with the Corporate Social Responsibility ("CSR") Policy, Company is working towards particular initiatives/ programmes/projects in pursuit of inclusive development of Society, having specific focus on:

   1. **Education of children in rural areas :**

      People have understood the importance of Education and its Access is a major concern in rural areas thus Ratnamani Education Campus started its journey for the people of Bechraji and surrounded areas with intention to enable them with education, which is affordable and Ratnamani is continuously working towards educating the students to make them grow holistically and meet with the requirements of the current industrial demands.

      More than 1200 students have been imparted education every year in different disciplines. Apart from the quality of education the campus is well equipped with modern infrastructure, library, and science facility including its laboratories, Canteen facilities, Hostel facility, Sports facilities and playground which are surrounded by lush green garden.

   2. **Health and Sanitation:**

      Understanding the importance of Central Government's campaign of making India "Clean India and Green India", it pursuits for the cleanliness and eradicating open defecation. We have already constructed household sanitary complexes in the different villages namely Bhimasar, Satapar, Tapar, Indrad, Nenava Village and Dhanot Village till date.

   3. **Rural Transformation:**

      Our Company has been instrumental in transforming the village of Nenava located in Banaskatha district by building adequate roads and other basic infrastructural facilities. Company is helping various villages for deepening the ponds for conservation of rain water. Company works towards Promotion of Education by providing education material to the students, providing mid – day meal to students and conducting Welfare activities for abandoned kids. Our Company also facilitates the government schools in every possible way and have been striving to bring up the literacy ratio in the village.

   4. **Enhancing vocational skills amongst women and children:**

      Our Company has been continuously working towards empowering girls and women of the Nenava village by enhancing their vocational skills and making them employment ready. More than 300 females have been trained and benefitted under these Sewing and Embroidery, Mehdi, Art & Crafts, Gruh Udhyog etc Classes.

Business Responsibility Report (Contd...)

5. **Ensuring Environmental sustainability / Conservation of Ecology :**

   Our Company also works in the area of Environment Sustainability and hence, till date has planted numbers of trees at various vicinities of our facilities and also maintains it. To save the bird "Sparrow" from getting extinct and create awareness and overall positive impact on the society on a large scale, our Company has started and successfully running its own exclusive campaign called "Save the Sparrow" and distributed the nests in the region of Gujarat.

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

   CSR projects are being implemented either directly by the Company or through various implementing partners who respect and agree to our organisation's core CSR values. These efforts are being undertaken preferably in the local area and areas around our work centres sites. The Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee as a sub-committee to the Board for implementation of CSR Activities.

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

   The Company is regularly receiving feedbacks of various CSR activities carried out and undertakes timely assessments of implemented projects for ensuring their desired impact and continued sustenance.

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

   The Company has spent ₹ 328.42 lacs on CSR activities during the FY 2020-21. Details of the same are mentioned in Annexure-"D" of the Board's Report.

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

   Yes, where we implement CSR projects, we ensure that the initiative is successfully adopted by the community.

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

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

   During the year under review, total nil customers complaints were received out of which nil Customers complaints are pending.

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

   Yes, the detailed specifications are marked on the outer side of the product such as Company Name, Heat Number and Product's Grade, Length, Type of Pipe etc. are marked on the Pipes prior to dispatch.

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

   No case has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.

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

   Yes, we are carrying out customer survey by sending Customer Feedback Form periodically and are trying to improve based on their suggestions / feedback.

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 37th Annual Report of your Company along with the Audited Financial Statements of the Company for the year ended 31st March 2021:

1. FINANCIAL RESULTS AT A GLANCE

(₹ in Crores)

Particulars	Standalone		Consolidated	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Revenue from Operations	2,298.13	2,585.68	2,298.13	2,585.68
Other Income	43.41	59.30	43.41	59.30
Total Income	2,341.54	2,644.98	2,341.54	2,644.98
Profit before Tax	363.38	406.30	363.46	406.37
Less: Income tax expenses	87.48	98.80	87.46	98.82
Profit After Tax	275.90	307.50	276.00	307.55

2. OPERATIONAL REVIEW/STATE OF THE COMPANY'S AFFAIRS

During the year under review, the Company achieved Revenue from Operations of ₹2,298.13 Crores compared to ₹ 2,585.68 Crores of the previous year. The total income on Standalone and Consolidated basis for the FY 2020-21 at ₹2,341.54 Crores was lower by 11.47% compared to the total income of ₹ 2,644.98 Crores of the previous year; the profit after tax on standalone basis for the year was also lower by 10.28% at ₹275.90 Crores compared to the previous year and profit after tax on the consolidated basis for the year was also lower by 10.26% at ₹276.00 Crores, compared to the previous year.

There are no material changes or commitments affecting the financial position of the Company, which have occurred between the end of the financial year and the date of this Report.

3. IMPACT OF COVID-19 PANDEMIC:

With the easing of lockdown in various states of India and the increasing economic activities in phased manner, your Company has continued its assessment of likely adverse impact on economic environment in general and financial risks in particular on account of COVID-19. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions including conditions in India because of this pandemic, the Company has used internal and external sources on the expected future performance. There have been certain delays in finalization of orders at the customers' end due to COVID-19 impacting the sales performance of the Company during the first half of the year, however, the Company performed sensitivity analysis on the assumptions used and based on current estimates, expects the carrying amount of these assets are fully recoverable. The Company continues to regularly review and moderate its significant estimates, including regular discussions with its key customers and vendors. The Company believes that impact of COVID-19 on the Company's overall financial results is not material.

Your Company has continued to take several steps aimed at ensuring the safety of our employees, which include work from home, social distancing in the office premises, sanitization of our office premises, plant locations and Company vehicles, thermal screening for employees in the office premises, working at plants, providing sanitizers, masks, gloves, etc. to the employees.

Meanwhile, we are also finding new ways of managing the business and have been working on changes in the business-operating model, including the possibilities of increasing use of digital technology.

4. DIVIDEND

The Directors are pleased to recommend a dividend of ₹ 14.00 per Equity Share having face value of ₹ 2.00 each (i.e. 700% on the paid-up capital) for the financial year ended on 31st March, 2021. The total dividend pay-out for the FY 2020-21 shall be ₹ 6,541.92 Lakhs.

As per the Finance Act, 2020, now the Dividend is taxable in the hands of the Shareholders at the applicable tax rates of the respective shareholders. The dividend pay-out is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution Policy of the Company, in terms of Regulation 43A of SEBI (LODR) Regulations, 2015 (as amended), is available at the web link http://www.ratnamani.com /investors_relations.html.

Board's Report (Contd...)

5. TRANSFER TO RESERVES

Your Company does not propose to transfer any amount to any reserves of the Company for the year under review.

6. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31st March, 2021 was ₹934.56 Lakhs divided into 4,67,28,000 Equity Shares of ₹ 2.00/- each. There was no change in the share capital of the Company during the year.

7. BORROWINGS

The Company has long-term borrowings outstanding amounting to ₹19,639.66 Lakhs as on 31st March, 2021.

8. FIXED DEPOSITS

During the year under review, your Company has not accepted any deposit from the shareholders and public within the meaning of Section 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, are given in the notes to the Financial Statements.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) DIRECTORS:

a) Directors retiring by rotation:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Jayanti M. Sanghvi, Joint Managing Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

b) Independent Directors:

Your Company has four Independent Directors including one Woman Independent Director. The Directors are appointed for the period of five years and they have been re-appointed for second term after taking approval of the Shareholders by way of Special Resolution.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as per Section 149(6) of the Companies Act, 2013 and Regulation 16 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Regulation 25 (8) of the SEBI (LODR) Regulations, 2015, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impact or impair their ability to discharge their duties with an objective independent judgement and without any external influence. Based on the declarations received from the ID's, the Board has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and that they are independent of the management.

In terms of Regulation 17(1A) of SEBI (LODR) Regulations, 2015, the continuation of Directorship of any person as a Non-Executive Director who has attained the age of 75 Years requires approval of the Members by way of Special Resolution. The Nomination and Remuneration Committee and Board of the Directors have recommended the continuation of Directorship of Shri Divyabhash C. Anjaria as Non-Executive Independent Director who shall attain the age of 75 Years during the year. The Board, keeping in mind his rich experience, expertise, qualifications and active contribution, considered that his continued association would be immensely beneficial to the Company and it is desirable to continue to avail services of Shri Divyabhash C. Anjaria as an Independent Director.

All the Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs ("IICA").

c) Performance Evaluation of Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The way, the evaluation has been carried out has been explained in the Corporate Governance Report.

d) Payment of commission to Non-executive Directors

Your Company has proposed to pay commission to the Non-executive Directors (including Independent Directors) with effect from 1st April, 2021 to the extent not exceeding 0.50% of the net profits of the Company for a financial year calculated as provided under the Companies Act, 2013 and rules made thereunder, subject to necessary approval of the members of the Company at the ensuing Annual General Meeting.

e) Remuneration Policy

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration as recommended by the Nomination & Remuneration Committee.

The policy of the Company on directors' appointment, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013 and the remuneration paid to the directors are governed by the Nomination and Remuneration Policy of the Company. The detailed Policy may be accessed from the website of the Company. The highlights of the Remuneration Policy and other details are given in the Corporate Governance Report, which is forming part of Directors Report.

f) The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the web link: http://www.ratnamani.com/investors_relations.html

g) The Company has under taken Directors and Officers insurance for all the Directors of the Company pursuant to Regulation 25 (10) of SEBI (LODR) Regulations, 2015.

B) **KEY MANAGERIAL PERSONNEL**

The following persons are the Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Companies Act 2013, read with the Rules framed thereunder.

1. Shri Prakash M. Sanghvi, Chairman and Managing Director
2. Shri Jayanti M. Sanghvi, Joint Managing Director
3. Shri Shanti M. Sanghvi, Whole Time Director
4. Shri Vimal Katta, Chief Financial Officer
5. Shri Jigar Shah, Company Secretary & Compliance Officer (upto 31st December, 2020)
6. Shri Anil Maloo, Company Secretary & Compliance Officer (appointed w.e.f. 1st January, 2021)

11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors hereby states and confirms that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures.

b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profits of the Company for the financial year ended on 31st March, 2021.

c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. the Directors had prepared the Annual Accounts on a `going concern' basis.

e. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

Board's Report (Contd...)

f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. BOARD MEETINGS

The Board of Directors met 4 (Four) times during the FY 2020-21 and having gap of not more than 120 days between 2 (Two) consecutive Board Meetings. The details of the board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which is forming part of this Report.

13. AUDIT COMMITTEE

As provided in Section 177(8) of the Companies Act, 2013, the information about Audit Committee and its details are given in the Corporate Governance Report. The Board has accepted all the recommendations of the Audit Committee. Presently, Shri Divyabhash C. Anjaria is the Chairman of the Committee and Dr. Vinodkumar M. Agrawal, Shri Jayanti M. Sanghvi and Smt. Nidhi G. Gadhecha are the members of the Committee.

14. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with rules made thereunder, M/s. S R B C & Co., LLP, Chartered Accountants, (ICAI Firm Registration No. 324982E/E300003) holds office as the Joint Statutory Auditors of the Company till the conclusion of the ensuing 37th Annual General Meeting to be held in the calendar year 2021 and M/s. Kantilal Patel & Co., Chartered Accountants, (ICAI Firm Registration No. 104744W) as the Joint Statutory Auditors of the Company till the conclusion of the 39th Annual General Meeting to be held in the calendar year 2023.

Since, pursuant to the provisions of Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. S R B C & Co., LLP, Chartered Accountants (Firm Registration No.: 324982E/E300003) shall be completing the second term as the Joint Statutory Auditors of the Company at the conclusion of the 37th Annual General Meeting of the Company, the Board of Directors, pursuant to the recommendations of the Audit Committee, and looking to the current overall economic scenario, decided to continue with M/s. Kantilal Patel & Co., Chartered Accountants, Ahmedabad as the sole Statutory Auditors of the Company for the financial year 2021-22 onwards. The Board also decided not to propose appointment of any other firm as Joint Statutory Auditors in place of M/s. S R B C & Co., LLP, Chartered Accountants, the retiring Joint Auditors of the Company.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

15. COST AUDITORS

Your Company has received consent from M/s. N. D. Birla & Co., Cost Accountants, to act as the Cost Auditors for conducting audit of the cost records for the financial year 2021-22 along with a certificate confirming their independence and arm's length relationship.

Your Directors have on the recommendation of the Audit Committee, appointed M/s. N. D. Birla & Co., Cost Accountants, as the Cost Auditors of the Company to audit the Cost accounts for the financial year 2021-22 on a remuneration of ₹1,20,000/- plus taxes as applicable and out of pocket expenses subject to ratification of the said remuneration by the Members in ensuing 37th Annual General Meeting. Accordingly, a resolution seeking Members' ratification for the remuneration payable to M/s. N. D. Birla & Co., Cost Accountants, is included at Item No.5 of the Notice convening the 37th Annual General Meeting. The Cost Auditors' Report for the financial year 2020-21 does not contain any qualification, reservation or adverse remark.

16. COST RECORDS

Your Company is required to maintain the Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly, such accounts and records are made and maintained.

17. SECRETARIAL AUDITOR

In terms of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed M/s. M. C. Gupta & Co., Company Secretaries in practice as the Secretarial Auditor of the Company to conduct an audit of the secretarial records, for the financial year 2021-22. Your Company has received consent from M/s. M. C. Gupta & Co., Company Secretaries in practice to act as the Secretarial Auditor for conducting audit of the secretarial records for the financial year ending 31st March, 2022.

18. SECRETARIAL STANDARDS:

The Company complies with Secretarial Standards on Meetings of Board of Directors and General Meetings issued by the Institute of Company Secretaries of India.

19. CREDIT RATING

The Company enjoys a good reputation for its sound financial management and its ability to meet financial obligations. CRISIL has reaffirmed "AA/stable" rating for the Company's long-term borrowings and "A1+" for its short-term borrowings.

20. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Audit function is handled by an external firm of Chartered Accountants. The Internal Control Systems are regularly being reviewed by the Company's Internal Auditors with a view to evaluate the efficacy and adequacy of Internal Control Systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and to ensure that these are working properly and wherever required, are modified/ tighten to meet the changed business requirements.

All the Business Heads/Functional Heads are certifying the compliance to all applicable rules, regulations and laws every quarter to the Board and are responsible to ensure that internal controls over all the key business processes under their respective departments/functions are operative. The scope of the Internal Audit is defined and reviewed every year by the Audit Committee and inputs, wherever required, are taken from the Statutory Auditors. Based on the report of Internal Auditors, major audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

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

Conservation of energy and technology absorption

Information required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time is given in **Annexure-"A"** which is forming part of this report.

The Company has commissioned windmills at various places for "Green Energy Generation", thus continuing to contribute, in a small way, towards a greener and cleaner earth.

Foreign Exchange Earnings and Outgo

The details of foreign exchange earnings and outgo as required under Section 134 and Rule 8(3) of Companies (Accounts) Rules, 2014 are mentioned in **Annexure-"A"**.

22. RISK MANAGEMENT

Your Company has an elaborate Risk Management procedure covering Business Risk, Operational Controls Assessment and Policy Compliance processes. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis within the risk appetite as approved from time to time by the Board of Directors. Your Company has already set up a Risk Management Committee in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The key risks and mitigating actions are also placed before the Audit Committee and the Board of Directors of the Company.

As on the date of this report, the Company does not foresee any critical risk, which threatens its existence.

23. SUBSIDIARY, IT'S PERFORMANCE AND CONSOLIDATED FINANCIAL STATEMENT

The Company has one Wholly Owned Subsidiary in the State of Texas, USA in the name "Ratnamani Inc." During the year under review, the performance of the subsidiary was lower due to lower crude prices and lower demand from Oil & Gas sector. As a consequence, the subsidiary recorded a profit of $ 13,962.00 (equivalent to ₹ 10.38 Lakhs) for the year ended on 31st March, 2021 (previous year a profit of $ 6,816.31 (equivalent to ₹ 4.72 Lakhs). A report on the performance and financial position of the subsidiary is given in **Annexure-"B"**. Your Directors have pleasure in attaching the Consolidated Financial Statements for financial year ended 31st March, 2021 pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which have been prepared in accordance with the applicable provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") and approved by the Board. These Consolidated Financial Statements have been prepared on the basis of the Audited Financial Statements of the Company and its Subsidiary Company, as approved by their respective Board of Directors.

The Financial Statements as stated above are also available on the website of the Company and the same

Board's Report (Contd...)

can be accessed at the web link: http://www.ratnamani.com/investors_relations.html.

There is no Company which has become or ceased to be a subsidiary, joint venture or associate Company of the Company. Your Company does not have any unlisted material subsidiary Company.

24. CORPORATE GOVERNANCE REPORT

Your Company is committed to good Corporate Governance and has taken adequate steps to ensure that the requirements of Corporate Governance as laid down in Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with. The details are given in **Annexure-"C"**.

The Board has framed Code of Conduct for all Board members and Senior Management of the Company and they have affirmed the compliance during the year under review.

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Governance Report and the Secretarial Auditor's Certificate regarding compliance of conditions of Corporate Governance are attached and forms part of the Annual Report.

25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms part of this Report. The Audit Committee has reviewed the Management Discussion and Analysis of financial conditions and results of operations during the year under review.

26. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Policy may be accessed on the Company's website at the web link: http://www.ratnamani.com/investors_relations.html

The key philosophy of all CSR initiatives of the Company is guided by the Company's philosophy of giving back to the society as a responsible corporate citizen.

The Company has identified the following as focus areas of engagement:

a. **Education :** Access to quality education, training and skill enhancement.

b. **Environment :** Environmental sustainability, ecological balance, conservation of natural resources.

c. **Rural Transformation :** Provision of drinking water, sewage facilities, sanitation Facilities and roads

d. **Health :** Affordable solutions for healthcare through improved access and awareness.

e. The Company would also like to undertake need-based initiatives in future.

During the year, the Company has spent ₹ 328.43 Lakhs on CSR activities. The details of CSR activities and expenses are given in **Annexure-"D"**.

27. ANNUAL RETURN

The Annual Return in Form No.MGT-7 of the Company can be accessed from the website of the Company at http://www.ratnamani.com/investors_relations.html#left-tab6.

28. PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosures pertaining to remuneration and other details are provided in **Annexure - "E"** to this Report.

29. SECRETARIAL AUDIT REPORT AND SECRETARIAL COMPLIANCE REPORT

A) In terms of Regulation 24A(1) of SEBI (LODR) Regulations, 2015 and pursuant to Section 204 (1) of the Companies Act, 2013, the Secretarial Audit Report for the financial year ended 31st March, 2021 is annexed with the Directors' Report and forms part of the Annual Report as given in **Annexure-"F"**.

Further, the Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer except the following remarks:

"There was a delay of 2 days under Regulation 34 in submission of Annual Report for the year 2019-20 and a monetary fine of ₹ 2,000/- per day plus GST (₹ 4,720/-) under SEBI-SOP was paid by the Company to each of BSE Limited and National Stock Exchange of India Limited on 12th January, 2021 and the Board has taken note of same in its Board Meeting held on 2nd February, 2021".

In this regard, it may be noted that the Company had dispatched / circulated via email the Annual Report for the year 2019-20 to its members on 4th August, 2020 and placed the same on the website of the Company on the same day. However, due to inadvertence, the same was uploaded on the website of the Stock Exchanges on 6th August, 2020 with a delay of 2 days. Your Company has paid the fine imposed immediately on receipt of the intimation from both the stock exchanges. The Board of Directors on 2nd February, 2021 noted the same.

B) In terms of Regulation 24A(2) of SEBI (LODR) Regulations, 2015, the Secretarial Compliance Report for the financial year ended 31st March, 2021 has been submitted to the Stock Exchanges by the Company. The said Secretarial Compliance Report may be accessed from the website of the Company at www.ratnamani.com

30. BUSINESS RESPONSIBILITY REPORT

Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates inclusion of the Business Responsibility Report ("BRR") as part of the Annual Report for top 1000 listed entities based on market capitalization. In compliance with the regulation, the Business Responsibility Report provides a detailed overview of initiatives taken by your Company from environmental, social and governance perspectives. The same is set out in a separate section included in this Annual Report and forms part of this Report.

31. DISCLOSURES:

A. Vigil Mechanism / Whistle Blower Policy

The Company has Vigil Mechanism / Whistle Blower Policy in terms of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. One may access the Chairman of the Audit Committee through an e-mail or a letter addressed to him, who is a designated Director under the Policy.

The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the web link: http://www.ratnamani.com/investors_relations.html

B. Related Party Transactions

The Company has framed a Related Party Transactions Policy for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board and was hosted on the Company's website at web link: http://www.ratnamani.com/investors_relations.html

All the related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons that may have a potential conflict with the interest of the Company as per the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the Related Party Transactions are placed before the Audit Committee and also before the Board for its approval. The Audit Committee quarterly reviews all the related party transactions entered into by the Company.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 read with Section 188(2) of the Companies Act, 2013 is mentioned in the form AOC - 2, which is given in **Annexure – "G"**.

C. Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013

The Company is an equal opportunity Company and has zero tolerance for sexual harassment at workplace. It has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

During the financial year 2020-21, there was no complaint/case of sexual harassment and hence no complaint remains pending as on 31st March, 2021.

D. Disclosure of Events or Information

In compliance with Regulation 30 of SEBI (LODR) Regulations, 2015, your Company has formulated a policy for determination of materiality of events and pursuant to the same, the Company makes disclosures to the Stock Exchanges. The said policy can be accessed from the website of the Company at http://www.ratnamani.com/download/Code_and_Policy/Materiality_Policy.pdf.

Your Company has authorized the Key Managerial Personnel (KMP) jointly and severally for the purpose of determining materiality of an event or information and making disclosures to the Stock Exchanges.

Board's Report (Contd...)

E. General

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

a) There has been no material change in the nature of business during the year under review.

b) Issue of equity shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company, under any Scheme.

c) There were no events to report that has happened subsequent to the date of financial statements and the date of this report.

d) Neither the Managing Director, Joint Managing Director nor the Whole-time Director of the Company receive any remuneration or commission from any of its subsidiaries.

e) No significant or material orders were passed by the Regulators or Courts or Tribunals, which affect the going concern status and Company's operations in future.

f) There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year.

g) There is no instance for one time settlement with Banks or Financial Institutions. Hence, there is no question of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

APPRECIATION

Your Directors place on record their gratitude for the valuable guidance and support rendered by the Government of India, various State Government departments, Banks and various stakeholders, such as, shareholders, customers and suppliers, among others. The Directors also commend the continuing commitment and dedication of the employees at all levels, which has been critical for the Company's success.

The Directors regret for the loss of lives due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked his/her life and safety to fight this Pandemic. The Directors look forward to the continued support of all the stakeholders in future also.

For and on behalf of the Board of Directors

PRAKASH M. SANGHVI
Chairman and Managing Director
DIN: 00006354

Place : Ahmedabad
Date : 2nd June, 2021

ANNEXURE: A

ADDITIONAL INFORMATION AS REQUIRED UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

(A) CONSERVATION OF ENERGY:

The Company is constantly striving to have high degree of optimisation, conservation of energy and absorption of technology. Major initiatives taken by the Company during the financial year 2020-21 are listed below:

I. The steps taken or impact on conservation of Energy:

i. Conventional lights have been replaced by energy efficient LED lights.

ii. Installed AC Variable Frequency Drive (VFD) for Hydraulic power pack for Spiral Plant.

iii. Installed AC Variable Frequency Drive (VFD) for LP pump at Hydro Tester in ERW Plant.

II. The steps taken by the Company for utilising alternate sources of Energy:

Solar lighting system has been installed in the plant replacing the convention Equipment.

III. The Capital Investment on Energy Conservation Equipments:

The Company has made Capital Investment of ₹63.49 Lacs on Energy Conservation Equipment.

B. TECHNOLOGY ABSORPTION:

I. The efforts made towards technology absorption:

1. Installation of new Hydro PLC and Panel up gradation with AC VFD and Soft starter.
2. Replacement of Beveling old screw clutch technology with latest servo motor controls.
3. Replacement of old technology DC motor to new energy efficient AC motors and drives.
4. Replacement of old motors and drives with latest profinet based motors and drives to achieve maximum speed.
5. Replacement of Auto UT with latest trolley servo motor and obsolete MEL laser tracking system was up-graded to KML laser tracking system.
6. Conversion of ESAB welding power source & controller from PEH to PEK.
7. Online Coil joint machine and cranes with wireless technology was adopted.
8. Robotic auto laser measurement system was installed for pipe parameters checking and updating the data in SAP system.

The above efforts have resulted in quality improvement, enhanced yields, higher through put and reduction in manpower.

II. The Benefits derived like product improvement, cost reduction, product development or import substitution:

i. Weld quality of pipe has improved so it reduces non-confirming products. Hence productivity improved.

ii. With modification of Tube Mills, enhancing the capability for Production.

iii. With the installation of the Coated Pipe Stripping Machine, resulting in to the cost reduction.

III. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

The Company had imported Robotic marking machines from MARKTEC JAPAN which interfaced with SAP system for ERW and COATING plants

Board's Report (Contd...)

IV. The expenditure incurred on Research and Development.

During the year under review, no expenditure has been incurred in Research and Development activities.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO-

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

i. Export sales: activities, development initiatives and future plans:

The Company is exporting its products across the globe, mainly in the countries like USA, UK, France, Germany, Italy, Netherlands, Japan, South Korea, Middle East countries etc. The Company is striving to increase its exports reach through various business initiatives. The Company keeps close watch on global developments with an aim to cater to global requirements to the maximum extent possible.

ii. Total foreign exchange used and earned:

(₹ in Lakhs)

Particulars	Current year 2020-21	Previous year 2019-20
Foreign Exchange Earnings (FOB)	54,177.16	51,093.42
Foreign Exchange Outgo	2,878.79	1,054.23

For and on behalf of the Board of Directors

PRAKASH M. SANGHVI
Chairman and Managing Director
DIN: 00006354

Place : Ahmedabad
Date : 2nd June, 2021

ANNEXURE: B

STATEMENT PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT, 2013, READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 IN THE PRESCRIBED FORM AOC-1 RELATING TO THE SUBSIDIARY COMPANY

Name of subsidiary	Ratnamani Inc.,USA		Ratnamani Inc.,USA	
Reporting period	2020-21		2019-20	
Reporting currency	USD	INR (₹ in Lakhs)	USD	INR (₹ in Lakhs)
Exchange Rate	1 USD = ₹ 73.50		1 USD = ₹ 75.39	
Share capital	10,000.00	6.08	10,000.00	6.08
Reserves & surplus	146,451.12	108.89	132,489.12	101.30
Total Assets	189,361.72	139.16	157,626.16	118.79
Total Liabilities	32,910.60	24.19	15,137.04	11.41
Investments	-	-	-	-
Turnover / Other Income	147,714.17	109.54	126,463.42	89.57
Profit before taxation	11,603.00	8.60	9,175.31	6.50
Provision for taxation	(2,359.00)	(1.78)	2,359.00	1.78
Profit after taxation	13,962.00	10.38	6,816.31	4.72
Proposed Dividend	-	-	-	-
% of Shareholding	100%		100%	

Note:

1) The Company has no Joint venture/Associates Companies.

2) None of the subsidiaries have been liquidated or sold during FY 2020-21 and FY 2019-20.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration
No: 324982E/E300003

per PRITESH MAHESHWARI
Partner
Membership No. 118746

Place : Mumbai
Date : 2nd June, 2021

For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration
No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : 2nd June, 2021

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

P. M. SANGHVI
Chairman and Managing Director
DIN : 00006354

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Board's Report (Contd...)

ANNEXURE 'C'

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company's philosophy on Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Our governance standards are initiated by senior management, and percolate down throughout the organisation. We have engrained into our culture and into each associate the values of honesty and fairness. For us, adherence to Corporate Governance stems not only from the letter of law but also from our inherent belief in doing business the right way. The Company continues to focus on good Corporate Governance, in line with the Model Code of Conduct for the Directors / Designated Employees of the Company for prevention of Insider Trading and it has also been amended from time to time in line with the amended Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 in this regard.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India ("SEBI") in Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

1) BOARD OF DIRECTORS

The business of the Company is conducted under the directions of the Board. The Chairman and Managing Director, Joint Managing Director and Whole Time Director look after the day-to-day business affairs of the Company. The Board formulates strategies, regularly reviews the performance of the Company and ensures that the projected targets and agreed objectives are met on a consistent basis. The Board has constituted various committees, which guide the matters delegated to them in accordance with their terms of reference. The Joint Managing Director/Whole Time Director/Senior Managerial Personnel/Functional Heads assist the Chairman and Managing Director and the Senior Managerial Personnel/Functional Heads assist the Joint Managing Director and Whole Time Director in overseeing the functional matters of the Company.

MATRIX OF SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD:

In order to effectively discharge its duties, it is necessary that collectively the Board holds the appropriate balance of skills and experience. The Board seeks a complementary diversity of skills and experience across its members. The table below summarizes the key qualifications, skills and attributes which are taken into consideration while nominating a person to serve on the Board.

Skills / Expertise / Competencies	Detail for such Skills / Expertise / Competencies	Name of the Directors having such Skills / Expertise / Competencies
Knowledge	Understanding of the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates.	1) Shri Prakash M. Sanghvi 2) Shri Jayanti M. Sanghvi 3) Shri Shanti M. Sanghvi 4) Shri Pravinchandra M. Mehta 5) Shri Divyabhash C. Anjaria 6) Dr. Vinodkumar M. Agrawal 7) Smt. Nidhi G. Gadhecha
Strategic Leadership	Significant leadership experience to think strategically and develop effective strategies to drive change and growth in context of the Company's overall objectives.	1) Shri Prakash M. Sanghvi 2) Shri Jayanti M. Sanghvi 3) Shri Shanti M. Sanghvi 4) Shri Pravinchandra M. Mehta

Skills / Expertise / Competencies	Detail for such Skills / Expertise / Competencies	Name of the Directors having such Skills / Expertise / Competencies
Financial expertise	Qualification and / or experience in accounting and/or finance coupled with ability to analyse the key financial statements; critically assess financial viability and performance; contribute to financial planning; assess financial controls and oversee capital management and funding arrangements.	1) Shri Prakash M. Sanghvi 2) Shri Jayanti M. Sanghvi 3) Shri Divyabhash C. Anjaria 4) Dr. Vinodkumar M. Agrawal 5) Smt. Nidhi G. Gadhecha
Diversity	Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective.	1) Shri Prakash M. Sanghvi 2) Shri Jayanti M. Sanghvi 3) Shri Shanti M. Sanghvi 4) Shri Pravinchandra M. Mehta 5) Shri Divyabhash C. Anjaria 6) Dr. Vinodkumar M. Agrawal 7) Smt. Nidhi G. Gadhecha
Corporate Governance, risk and Compliance	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates including establishing risk and compliance frameworks, identifying and monitoring key risks.	1) Shri Prakash M. Sanghvi 2) Shri Jayanti M. Sanghvi 3) Shri Shanti M. Sanghvi 4) Shri Pravinchandra M. Mehta 5) Shri Divyabhash C. Anjaria 6) Dr. Vinodkumar M. Agrawal 7) Smt. Nidhi G. Gadhecha
Behavioural Skills	Attributes and the competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders.	1) Shri Prakash M. Sanghvi 2) Shri Jayanti M. Sanghvi 3) Shri Shanti M. Sanghvi

These skills / competencies are broad-based, encompassing several areas of expertise / experience. Each Director may possess varied combinations of skills / experience within the described set of parameters.

Composition of the Board

The Board of Directors of your Company consists of balanced mix of Executive and Non-Executive Directors which meets the requirement of the Corporate Governance as stipulated under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013. Your Company immensely benefits from the professional expertise and experience of the Independent Directors.

The Executive Chairman heads the Board of Directors. The total strength of the Board of Directors of the Company are 7 (Seven) members as on 31st March, 2021, comprising 3 (Three) Executive Directors and 4 (Four) Non-Executive Independent Directors including one Woman Independent Director.

The Independent Directors are the Non-Executive Directors of the Company as defined under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013 along with the rules framed thereunder. Further, in terms of Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that they are independent of the management.

Board's Report (Contd...)

The details of composition of the Board as at 31st March, 2021 and other information are given herein below:

Category	Name of the Director(s)	Position held	No. of Directorship in listed entities (including in the Company)	Memberships/ Chairmanships of Committee (including in the Company)		No. of Equity Shares held as on 31st March, 2021 in the Company
				Member ship	Chairman ship	
Promoter Executive	Shri Prakash M. Sanghvi	Chairman & Managing Director	1	0	0	72,18,385
	Shri Jayanti M. Sanghvi	Jt. Managing Director	1	2	0	39,11,025
	Shri Shanti M. Sanghvi	Whole Time Director	1	0	0	18,16,995
Independent Non-Executive	Shri Pravinchandra M. Mehta	Independent Director	1	0	0	7,000
	Shri Divyabhash C. Anjaria	Independent Director	1	2	2	22,065
	Dr. Vinodkumar M. Agrawal	Independent Director	1	2	0	27,500
	Smt. Nidhi G. Gadhecha	Independent Woman Director	1	1	0	1,441

Notes:

1. It is affirmed that none of the Directors on the Board holds directorships in more than ten public companies, also none of the Directors serves as a director on more than seven listed entities. Further, none of the Managing Director / Whole Time Director serves more than three listed entities as an Independent Director. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2021 have been made by the Directors. None of the Directors are related to each other except Shri Prakash M. Sanghvi, Shri Jayanti M. Sanghvi and Shri Shanti M. Sanghvi who are brothers and related to each other.

2. It is affirmed that none of the Directors on the Board is a member of more than 10 (Ten) Committees and Chairperson of more than 5 (Five) Committees (as specified in Regulation 26 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) across all the Companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

3. During the year under review, none of the Independent Director has resigned.

Memberships of other Boards / Board Committees (other than this Company):

Name and Designation of the Director	No. of other Directorship Held		Name of the other listed entities where Directorship held & Category of Directorship	No. of other Board Committees of which Member / Chairperson
	Listed Company	Other Company		
Shri Prakash M. Sanghvi, Chairman & Managing Director	0	0	Nil	0
Shri Jayanti M. Sanghvi, Joint Managing Director	0	1	Nil	0
Shri Shanti M. Sanghvi, Whole Time Director	0	0	Nil	0
Shri Pravinchandra M. Mehta, Independent Director	0	0	Nil	0
Shri Divyabhash C. Anjaria, Independent Director	0	3	Nil	0
Dr. Vinodkumar M. Agrawal, Independent Director	0	0	Nil	0
Smt. Nidhi G. Gadhecha, Independent Director	0	0	Nil	0

Directors' Attendance Records for the financial year ended on 31st March, 2021

Sr. No.	Name of Director(s)	No. of Board Meetings held During the period when Director was on the Board	No. of Board Meetings attended(*)	Presence at the last AGM (*)
1	Shri Prakash M. Sanghvi	4	4	Yes
2	Shri Jayanti M. Sanghvi	4	4	Yes
3	Shri Shanti M. Sanghvi	4	4	Yes
4	Shri Pravinchandra M. Mehta	4	4	Yes
5	Shri Divyabhash C. Anjaria	4	4	Yes
6	Dr. Vinodkumar M. Agrawal	4	4	Yes
7	Smt. Nidhi G. Gadhecha*	4	4	Yes

(*) Attended personally / via Video Conference.

Overall attendance: 100%

During the Financial Year 2020-21, 4 (Four) Board Meetings were held on 16th June, 2020, 11th August, 2020, 3rd November, 2020 and 2nd February, 2021. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days.

INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 16th June, 2020, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting through video conference.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

An appointment letter is issued to a newly appointed Independent Director containing the terms of appointment, duties and responsibilities. A newly appointed Independent Director is taken through a formal familiarisation program including the corporate presentations, corporate film, details about the products of the Company, the user market, raw material suppliers, key risks, strengths of the Company, etc. The Company periodically arranges presentation on new developments in the law by outside experts, on their roles, rights and responsibilities towards the Company. The quarterly financial details are also accompanied with various analytical reports so as to help the directors understand the performance in a better way. The same may be accessed on the Company's website at the web link at http://www.ratnamani.com /investors_relations.html

EVALUATION OF THE BOARD'S PERFORMANCE:

As required, a formal mechanism for evaluating performance of the Board and that of its Committees and individual Directors, including the Chairman of the Board has been set in place by the Board.

The performance evaluation is based on performance of the Company, including financial, vis. a vis. the market conditions, its peers, global market conditions, its installed capacities, etc. It also covers compliance of various statues, regulations, rules, etc. and the technological up gradations.

Performance of individual Directors has been evaluated considering their attendance, participation in the discussions, contribution at the meetings and otherwise, guiding the management on the CAPEX and other budgetary proposals, risk management, independent judgment, safeguarding of interest of all the stakeholders, etc.

The performance evaluation of the Independent Directors, the Chairman and the Non-Independent Directors was carried out by the Board. The criteria for performance evaluation of Independent Directors are their knowledge, expertise in their fields, contribution in important decision making in the Board and Committee Meetings. The Independent Director, who is

Board's Report (Contd...)

subject to evaluation, does not participate in the evaluation process carried out by the Board of Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

In the opinion of the Board of Directors of the Company, all the Independent Directors have adequate expertise, experience, proficiency and integrity.

Board Meetings, Committee Meetings and Procedures

In terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as required under the Companies Act, 2013, the Board meets at least once in a quarter with a gap between two meetings not exceeding one hundred and twenty days. Additional meetings of the Board are held when deemed necessary to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation by Board as well as Committees of Board of Directors. The meetings are usually held at the Company's Corporate Office.

The Agenda and the papers for consideration at the Board and Committee Meetings are circulated to the Directors in advance. Adequate information is circulated as part of the Board and Committee agenda papers and is made available at the Board and Committee Meetings to enable the Members of the Board and Committees to take vital decisions. Senior Executives are invited to attend the Meetings as and when required. The Company is also providing video conferencing facility to a Director on his/her request in advance.

The Company ensures compliance of various statutory requirements by all its business divisions and obtains quarterly reports in the form of certificates from the heads of the business divisions and functional heads. These certificates are placed before the Board and/or Committee on quarterly basis. The Board of Directors reviews the Compliance Reports pertaining to the applicable laws and takes steps to rectify the instances of non-compliances, if any.

Other provisions as to Board and Committees were compiled with during the year under review.

2) BOARD COMMITTEES

The Board Committees play a vital role in strengthening the Corporate Governance practices and focus effectively on the issues and ensures expedient resolution of the diverse matters. The Committees also make specific recommendations to the Board on various matters when required. All observations, recommendations and decisions of the committees are placed before the Board for information and/or for approval.

The Company has at present the following committees namely:

i) Audit Committee
ii) Nomination and Remuneration Committee
iii) Stakeholders Relationship Committee
iv) Corporate Social Responsibility Committee
v) Risk Management Committee
vi) Sub-Committee for Borrowings
vii) Project Review Committee
viii) Management Committee

2.1. Audit Committee

Composition

The Audit Committee is constituted in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and comprises of 3 (Three) Non-Executive Independent Directors who are eminent professionals and 1 (One) Executive Director.

The members of the Audit Committee comprise of Shri Divyabhash C. Anjaria, an ex-banker, accounting, management and financial expert, who is the Chairman of the Committee, Dr. Vinodkumar M. Agrawal, an eminent professional, Smt. Nidhi G. Gadhecha, a Chartered Accountant and Shri Jayanti M. Sanghvi, Joint Managing Director. All the members of the Audit Committee are financially literate.

The Audit Committee Meetings were also attended by the representatives of the Statutory Auditors, Internal Auditors and Chief Financial Officer of the Company.

The Company Secretary acts as the Secretary to the Committee.

Meetings and Attendance

During the year, four meetings of the Audit Committee were held on 15th June, 2020, 11th August, 2020, 2nd November, 2020 and 1st February, 2021. The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company held on 27th August, 2020.

The following table summarises the attendance of the Committee members:

Name of the Director	Category	Status	No. of Meetings held	No. of Meetings attended (*)
Shri Divyabhash C. Anjaria	Independent Non-Executive	Chairman	4	4
Dr. Vinodkumar M. Agrawal	Independent Non-Executive	Member	4	4
Smt. Nidhi G. Gadhecha	Independent Non-Executive	Member	4	4
Shri Jayanti M. Sanghvi	Promoter Executive	Member	4	4

(*) Attended personally / via Video Conference.

Overall Attendance: 100%

The Audit Committee meetings during the year were held in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Minutes of each Audit Committee Meeting are placed and discussed in the meeting of the Board of Directors. The Chief Financial Officer, Representative of Internal Auditors, Representative of Statutory Auditors are invited to attend the meetings.

Terms of reference

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's Internal Control and Financial Reporting Process. The terms of reference of the Audit Committee are in accordance with all the items listed as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and it *inter-alia* performs the following functions:

A. Oversight of financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

B. Recommending for appointment, remuneration and terms of appointment of auditors of the Company.

C. Approval of payment to statutory auditors for any other service rendered by them.

D. Examination of the annual financial statements and the auditors' report thereon with particular reference to as mentioned in the SEBI (LODR) Regulations, 2015, as amended from time to time.

E. Reviewing the quarterly financial statements of the Company.

F. Management discussion and analysis of financial conditions and results of operation.

G. Internal audit report or statutory auditor's report.

H. Review and monitor the auditor's independence and performance, and effectiveness of audit process.

I. Approval or any subsequent modification of transactions of the Company with related parties.

J. Scrutiny of inter-corporate loans and investments.

K. Valuation of undertakings or assets of the Company, wherever it is necessary.

L. Evaluation of internal financial controls and risk management systems.

M. Reviewing statutory and internal auditor's performance and adequacy of the internal control system.

N. Reviewing the adequacy of internal audit function including structure of the internal audit department, staffing, reporting structure coverage and frequency of internal audit.

O. Discussion with Internal Auditors of any significant findings and follow up thereon.

P. Reviewing finding of any internal investigations by the internal auditor into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting matter to the Board.

Board's Report (Contd...)

Q. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

R. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

S. Review the functioning of the Vigilance Mechanism/Whistle Blower Policy.

T. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate

U. Reviewing the utilisation of loans and/or advances from/investment by the holding Company in the subsidiary exceeding ₹ 100.00 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

V. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Listed Entity and its Shareholders.

Powers:

The Audit Committee has the following Powers:

i. To investigate any activity within its terms of reference.

ii. To seek any information from any employee.

iii. To obtain outside legal and professional advice.

iv. To secure attendance of outsiders with relevant expertise, if it considers it necessary.

2.2. Nomination and Remuneration Committee

Composition

Pursuant to the Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee comprises of the following 3 (Three) Independent Non-Executive Directors, namely Shri Divyabhash C. Anjaria, an ex-banker and financial expert is the Chairman of the Committee, Shri Pravinchandra M. Mehta and Dr. Vinodkumar M. Agrawal eminent professionals are members of the Committee.

Meetings and Attendance

During the year, 2 (Two) meetings of the Nomination and Remuneration Committee were held on 16th June, 2020 and 3rd November, 2020. The Chairman of the Committee had also attended the last Annual General Meeting of the Company which was held on 27th August, 2020.

Name of Director(s)	Category	Status	No. of Meetings held	No. of Meetings Attended (*)
Shri Divyabhash C. Anjaria	Independent Non-Executive	Chairman	2	2
Shri Pravinchandra M. Mehta	Independent Non-Executive	Member	2	2
Dr. Vinodkumar M. Agrawal	Independent Non-Executive	Member	2	2

(*) Attended via Video Conference.

Overall attendance: 100%

The Company Secretary acts as the Secretary to the Committee.

Terms of reference:

The terms of reference of the Committee *inter alia*, include the following:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director and to decide to extend or continue the term of appointment of the Independent director on the basis of the report of performance evaluation and to recommend to the board of directors a policy relating to the remuneration of the directors and KMP and other employees.

2. To evaluate the performance of Independent directors and the Board of Directors.
3. To devise a policy on diversity of Board of Directors.
4. To identify persons who are qualified to become Directors, as and when so required, and who may be appointed in senior management in accordance with the criteria laid down by the Committee.
5. To consider and recommend to the Board appointment and removal of directors, other persons in Senior management and key managerial personnel (KMP).
6. To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. To recommend to the Board, all remuneration, in whatever form, payable to the Senior Management of the Company.

Remuneration of Directors / Key Managerial Personnel / Senior Management/ other Employees

1. The Committee evolves the principles, criteria and basis of Remuneration policy and recommend to the Board a policy relating to the remuneration for all the Directors, KMPs, Senior Management and other employees of the Company and to review the same from time to time.

   The Remuneration Policy of Directors, Key Managerial Personnel and other employees are as under:

   i) Fixed pay:

   a) Basic salary

   b) Allowances

   c) Perquisites

   d) Retirement benefits

   ii) Variable pay (applicable to Executive Directors)

   Factors for determining and changing fixed pay:

   i) Existing compensation

   ii) Educational Qualifications

   iii) Experience

   iv) Salary structure for the position

   v) Performance

   vi) Compensation ruling in the Market in similar industries for similar positions

   Factors for determining variable pay:

   i) Company performance

   ii) Individual's performance

2. Non-Executive Directors are entitled to sitting fees for attending the meetings of the Board and certain Committees thereof. The Company also reimburses out of pocket expenses to Non-Executive Directors for attending the meetings.

Board's Report (Contd...)

a. Details of Remuneration / Sitting fees of Directors

The details of Remunerations / Sitting fees paid to Executive and Non-Executive Directors for the financial year 2020-21 are as under:

(₹ in Lacs)

Name of Director	Salary	Commission	Perquisites	Retirement Benefits	Assignment of Key Man Insurance Policy	Sitting Fees	Total
Shri Prakash M. Sanghvi	180.00	1,350.00	0.00	21.60	0.00	0.00	1,551.60
Shri Jayanti M. Sanghvi	153.60	810.00	1.99	18.43	0.00	0.00	984.02
Shri Shanti M. Sanghvi	128.40	540.00	0.00	16.91	0.00	0.00	685.31
Shri Pravinchandra M. Mehta	0.00	0.00	0.00	0.00	0.00	4.00	4.00
Shri Divyabhash C. Anjaria	0.00	0.00	0.00	0.00	0.00	5.60	5.60
Dr. Vinodkumar M. Agrawal	0.00	0.00	0.00	0.00	0.00	5.20	5.20
Smt. Nidhi G. Gadhecha	0.00	0.00	0.00	0.00	0.00	3.60	3.60

The details of the service contract of the Executive Directors are as follows:

Terms of Agreement	Shri Prakash M. Sanghvi, Chairman and Managing Director	Shri Jayanti M. Sanghvi, Joint Managing Director	Shri Shanti M. Sanghvi, Whole Time Director
Period of Appointment	5 Years	5 Years	5 Years
Date of Appointment	1st November, 2018	1st November, 2018	1st November, 2018
Shareholders' approval in the AGM held on	9th August, 2018	9th August, 2018	9th August, 2018
Notice Period for the termination of the Contract	The services of all the three Executive Directors are contractual and for a term of 5 (Five) years. For any termination of Service Contract, the Company or the Executive Director is required to give a notice of 3 (Three) Months or pay 3 (Three) month's salary in lieu thereof to the other party.		

The Non-Executive Directors were paid Sitting Fees of ₹ 40,000/- for attending each Board Meeting and for certain Committee Meetings attended during the year 2020-21.

2.3. Stakeholders Relationship Committee

Composition and terms of reference

The Stakeholder Relationship Committee has been constituted as per the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is entrusted with the responsibility of addressing the Shareholders/Investors complaints with respect to transfer of shares, transmission, issue of duplicate share certificates, splitting and consolidation of shares, Non-receipt of Share Certificates, Annual Report, Dividend etc. The Committee has also been entrusted with the matters related to the General Meetings, Voting Rights, Review of services rendered by RTA and review of measures and initiatives taken for reducing quantum of unclaimed dividend and ensuring timely delivery of dividend warrants, annual reports and other notices by the Shareholders.

The members of the Stakeholder Relationship Committee comprises of 2 (Two) Independent Non-Executive Directors and 1 (One) Executive Director of the Company. Shri Divyabhash C. Anjaria, Independent Non-Executive Director is the Chairman of the Committee and Dr. Vinodkumar M. Agrawal, Independent Non-Executive Director and Shri Jayanti M. Sanghvi, Executive Director (Designated as Joint Managing Director) are the members of the Committee.

During the year, 2 (Two) meetings of the Stakeholders Relationship Committee were held on 15th June, 2020 and 2nd November, 2020. The Chairman of the Stakeholders Relationship Committee also attended the last Annual General Meeting of the Company held on 27th August, 2020. The Committee also recommends steps to be taken for quality services to the investors. The composition of the said Committee and details of meeting are as under:

Name of Director(s)	Category	Status	No. of Meetings held	No. of Meetings Attended (*)
Shri Divyabhash C. Anjaria	Independent Non-Executive	Chairman	2	2
Dr. Vinodkumar M. Agrawal	Independent Non-Executive	Member	2	2
Shri Jayanti M. Sanghvi	Promoter Executive	Member	2	2

(*) Attended personally / via Video Conference.

Overall attendance: 100%

The Company Secretary acts as the Secretary & Compliance Officer to the Committee.

Investor Complaints

The particulars of Investors' complaints received and redressed during the financial year are furnished below:

Sr. No	Nature of Complaints	Opening Balance as on 1st April, 2020	Received during the Year	Redressed/ Attended during the year	Pending as on 31st March, 2021
1	Non-receipt of share certificate after transfer of Shares	Nil	Nil	Nil	Nil
2	Non-receipt of Dividend Warrants	Nil	Nil	Nil	Nil
3	Non receipt of Annual Reports	Nil	Nil	Nil	Nil
4	**Others :**				
	a) Query regarding Demat Credit	Nil	1	1	Nil
	b Non-receipt of duplicate share certificate after issue	Nil	Nil	Nil	Nil
	c) Non-Exchange of New shares	Nil	Nil	Nil	Nil
	d) Miscellaneous	Nil	1	1	Nil
	Total	**Nil**	**2**	**2**	**Nil**

At present the entire activities related to share transfers, if applicable, transmission, exchange of shares, etc. are handled by the Registrar and Transfer Agent namely Link Intime India Private Limited, a SEBI authorised Registrar, who also provides electronic connectivity with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") to carry out such assigned work.

The Company obtains half-yearly certificate from a Company Secretary in Practice confirming the issue of certificates for transfer, sub-division, consolidation etc. and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(9) of the Listing Regulations. Further, the Compliance Certificate under Regulation 7(3) of the Listing Regulations, confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Transfer Agent are also submitted to the Stock Exchanges on a half yearly basis.

2.4 Corporate Social Responsibility Committee

Composition & Terms of reference

The Corporate Social Responsibility ("CSR") Committee has been constituted in line with the provisions of Section 135 of the Companies Act, 2013. The Committee formulates, reviews and recommends the amount of expenditure to be incurred on CSR activities and regularly monitors CSR activities to accomplish the objectives of the implementation of CSR Policy. The CSR Committee comprises of 3 (Three) Directors out of which 1 (One) is an Independent Director and 2 (Two) Directors are Executive Directors of the Company. Shri Pravinchandra M. Mehta, Independent and Non-Executive Director is the Chairman, Shri Prakash M. Sanghvi and Shri Jayanti M. Sanghvi, Executive Directors are the members of the Committee.

Board's Report (Contd...)

Meetings and Attendance:

During the year, 3 (Three) Meetings were convened and held on 16th June, 2020, 3rd November, 2020 and 1st February, 2021. The following table summarises the attendance of the Committee members:

Name of Director(s)	Category	Status	No. of Meetings held	No. of Meetings Attended (*)
Shri Pravinchandra M. Mehta	Independent Non-Executive	Chairman	3	3
Shri Prakash M. Sanghvi	Executive Director	Member	3	3
Shri Jayanti M. Sanghvi	Executive Director	Member	3	3

(*) Attended personally / via Video Conference.

Overall attendance: 100%

The Company Secretary acts as the Secretary to the Committee.

2.5 Risk Management Committee

Terms of reference

The Board of Directors had constituted the Risk Management Committee on 10th November, 2011, to frame and supervise risk management policies of the Company and also to review various risks including cyber security being faced by the Company and to formulate the mitigation plans thereof from time to time.

Pursuant to the amended SEBI (LODR) Regulations, 2015, the Company, on 1st June, 2021 has modified the role of the Risk Management Committee, which in addition to the above, includes the followings:

1) To formulate a detailed risk management policy which shall include:

   (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

   (c) Business continuity plan.

2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

Composition, Meetings and attendance

With effect from 2nd June, 2021, the Risk Management Committee comprises of Shri Divyabhash C. Anjaria, Independent Non-Executive Director as Chairman, Shri Prakash M. Sanghvi, Shri Jayanti M. Sanghvi, Shri Shanti M. Sanghvi, Shri Manoj P. Sanghvi, Shri Vimal Katta and Shri R. S. Patel as Members of the Committee.

During the year under review, 1 (One) meeting was convened and held on 15th June, 2020. Shri Divyabhash C. Anjaria, Independent Non-Executive Director (Chairman of Committee), Shri Prakash M. Sanghvi the then, two members of the Committee, were present in the above meeting personally / via Video Conference.

The Company Secretary acts as the Secretary to the Committee.

3) GENERAL BODY MEETINGS

A. Annual General Meeting:

The details of date and time of the Annual General Meetings (AGMs) of the Company held during the preceding three years and the Special Resolutions passed there, are as under:

AGM	Financial Year	Date	Time	Special Resolutions Passed	Venue of the AGM
34th	2017-18	9th August, 2018	10.00 a.m.	4*	The Ahmedabad Textile Mills Association Hall, Ashram Road, Ahmedabad
35th	2018-19	9th August, 2019	10.00 a.m.	3*	
36th	2019-20	27th August, 2020	10.00 a.m.	Nil	Through Video Conference

** Special resolutions indicated above were passed through E-voting and ballot papers which were made available at the AGM venue.*

Note: At the 36th AGM held on 27th August, 2020, the ordinary businesses were transacted through E-voting.

B. Extraordinary General Meeting:

No extraordinary general meeting of the members was held during FY 2020-21

C. Postal Ballot

No Special resolution was passed through Postal Ballot during the financial year 2020-21. As of now, your Company does not propose any Special resolution through postal ballot.

4) DISCLOSURES

4.1 Related party transactions

Full disclosure of related party transactions as per Indian Accounting Standard 24 issued by the Institute of Chartered Accountants of India is given under Note No.30 of Notes to Financial Statements. The Company has framed Related Party Transaction Policy and the same is hosted on the website of the Company.

In terms of Clause (2A) of Schedule V (Annual Report) of SEBI (LODR) Regulations, 2015, the Company has not entered into any transactions with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company, save and except as given in the Notes to Financial Statements.

The Company has not entered into any materially significant related party transactions that may have potential conflict with the interest of the Company at large.

4.2 Accounting Treatment

Financial Statements for the year under review were prepared in accordance with the Indian Accounting Standards and there is no deviation, nor any alternative treatment given.

4.3 Risk Management

The Company regularly reviews the risks and takes corrective actions for managing/mitigating the same. The internal control system provides support for risk management of the Company. The Board has approved Foreign Exchange Risk Management Policy and the same is being evaluated on quarterly basis.

4.4 Strictures / Penalties

The Company has complied with all the requirements of the Stock Exchange(s) and the SEBI on matters related to Capital Markets. There were no penalties imposed or strictures passed against the Company by the statutory authorities on any matters related to Capital Markets during the last three years.

4.5 Statutory Registers

All the statutory registers that are required to be maintained, particularly Registers of contracts in which Directors have interests, Registers of Directors Shareholding, Register of Investments etc. are maintained and regularly updated.

Board's Report (Contd...)

4.6 Vigil Mechanism / Whistle Blower Policy

The Company has established a Vigil Mechanism/ Whistle Blower Policy under which an employee can report any violation of applicable laws, rules and the Company's Code of Conduct etc. to the Chairman of the Audit Committee. The vigil mechanism provides adequate safe guards against victimisation who avails the mechanism pursuant to the Whistle Blower Policy. During the year under review, no personnel have been denied access to the Audit Committee, if desired by them.

4.7 Compliance with Mandatory requirements of SEBI (LODR) Regulations, 2015

Your Company has complied with all the mandatory requirements of the SEBI (LODR) Regulations, 2015, as amended from time to time.

4.8 Policy on Preservation of Documents

Pursuant to the requirements under Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has formulated and approved a Policy on Preservation of Documents prescribing the manner of retaining the Company's documents and the time period up to certain documents are to be retained. The policy percolates to all levels of the organisation who handle the prescribed categories of documents.

4.9 Certificate of Non-Disqualification of Directors by Company Secretary in Practise

Pursuant to amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from a Company Secretary in practice has been obtained stating that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

4.10 Compliance of Regulation 17 to 27 and 46 of Listing Regulations

The Company has complied with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

4.11 Shareholders Rights

Quarterly Financial Results of relevant period of three months are being published in the newspaper and hosted on the website of Stock Exchanges as well as the Company's website.

4.12 Training of Board Members

There is no formal policy at present for Imparting training to the Board Members of the Company, as the members on our Board are Professionals / Business Executives / Eminent / Experienced Professional persons. However, for orientation and to get familiar with the Company's business operation and practices, Directors visit all the three divisions periodically at the plant sites of the Company. Besides, detailed presentations are periodically made to the Board Members on the business model of the Company. The Directors endeavor to keep themselves updated with changes in economy and legislation. The directors are apprised on legal changes through presentation by subject experts in the Board and Committee meetings.

4.13 Statutory Audit qualifications

There are no qualifications in the Statutory Auditors' Report on the Financial Statements of the Company for the FY 2020-21.

4.14 Compliance of Regulation 26(6) of Listing Regulations

In accordance with the provisions of Regulation 26(6) of the Listing Regulations, the Key Managerial Personnel, Director(s) and Promoter(s) of the Company have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

4.15 Fees paid to Statutory Auditors

During the year, total amount for all services, paid by the Company and its subsidiary, on a consolidated basis to the Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part, are as under:

(₹ in Lakhs)

Payments to Statutory Auditors	
As Auditors:	
Audit Fee	26.45
Limited Review	15.00
	41.45
In other capacity:	
Certification	3.34
Reimbursement of expenses	1.00
	4.34
Total	**45.79**

4.16 There were no instances where the Board had not accepted the recommendations of the Audit Committee, Stakeholders Relations Committee, Risk Management Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

4.17 The Company makes its best endeavors to adopt the discretionary requirements as mentioned in Part E of Schedule II of the SEBI (LODR) Regulations, 2015.

5) CERTIFICATION

The Board has received MD & CFO Certification under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same was placed before the Board of Directors of the Company.

6) MEANS OF COMMUNICATIONS

The quarterly, half-yearly and annual financial results of the Company are sent to the stock exchanges immediately after these are approved by the Board. These are widely published in the Financial Express (English & Gujarati Edition) etc.

The results are simultaneously posted on the Company's website at www.ratnamani.com.

Other communications are as under:

News Releases	Official press releases are sent to stock exchanges as well as displayed on the Company's website.
NSE Electronic Application Processing System (NEAPS)	The listing compliances are also filed electronically on NEAPS.
BSE Corporate Compliance & Listing Centre	The listing compliances are also filed electronically on BSE Corporate Compliance & Listing Centre.
Annual Report	Annual Report is circulated to the members and all others like Auditors, equity analysts, etc.
Management Discussion & Analysis	This forms a part of the Annual Report, which is mailed to the shareholders of the Company.
Business Responsibility Report	This forms a part of the Annual Report, which is mailed to the shareholders of the Company.
Investor Services	The Company has designated an exclusive e-mail id viz. investor@ratnamani.com for investor services and grievances.
Presentations / Investor Conference Calls to Institutional Investors / Analysts	Quarterly Investor Conference Calls to Institutional Investors / Analysts are organised and prior intimation is given to the Stock Exchanges. The Transcripts of the Conference Calls are also uploaded on the Websites of the Stock Exchanges as well as of the Company.

Board's Report (Contd...)

7) GENERAL SHAREHOLDERS INFORMATION

A. General Information

37th Annual General Meeting

Date	:	Monday, 27th September, 2021
Time	:	10.00 A.M.
Venue	:	The 37th AGM will be held through Video Conference/Other Audio Visual Means (**"VC/OAVM"**)
Remote E-voting period	:	The voting period begins on Friday, 24th September, 2021 at 10.00 A.M. and ends on Sunday, 26th September, 2021at 5.00 P.M.

B. Tentative Financial Calendar for the Financial Year 2021-22:

Financial Year	:	1st April, 2021 to 31st March, 2022
Financial Results		
First Quarter ended on 30th June, 2021	:	By Second week of August 2021
Half year ended on 30th September, 2021	:	By Second week of November 2021
Third Quarter ended on 31st December, 2021	:	By Second week of February, 2022
Fourth Quarter ended on 31st March, 2022	:	By Last week of May 2022
AGM for the year 2021-22	:	August / September 2022

C. Dividend payment date: The dividend for the year 2020-21, as recommended by the Board of Directors, if approved by the members at the ensuing Annual General meeting, shall be paid within 30 days of the declaration.

D. Listing on Stock Exchanges

The Company's equity shares are listed and traded on BSE Limited ("BSE") as well as National Stock Exchange of India Limited ("NSE") having the following address:

BSE Limited ("BSE")	National Stock Exchange of India Limited ("NSE")
Phiroze Jeejeebhoy Towers, Dalal Street, Bandra, Mumbai – 400 001	Exchange Plaza, C-1, Block G, Bandra – Kurla Complex, Bandra East, Mumbai – 400 051

E. Listing Fees to Stock Exchanges:

Pursuant to Regulation 14 of SEBI (LODR) Regulations, 2015, the Company has paid the Listing Fees for the year 2021-22 to the above Stock Exchanges.

F. Custodial Fees to the Depositories:

The Company has paid custodial fees for the year 2021-22 to the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

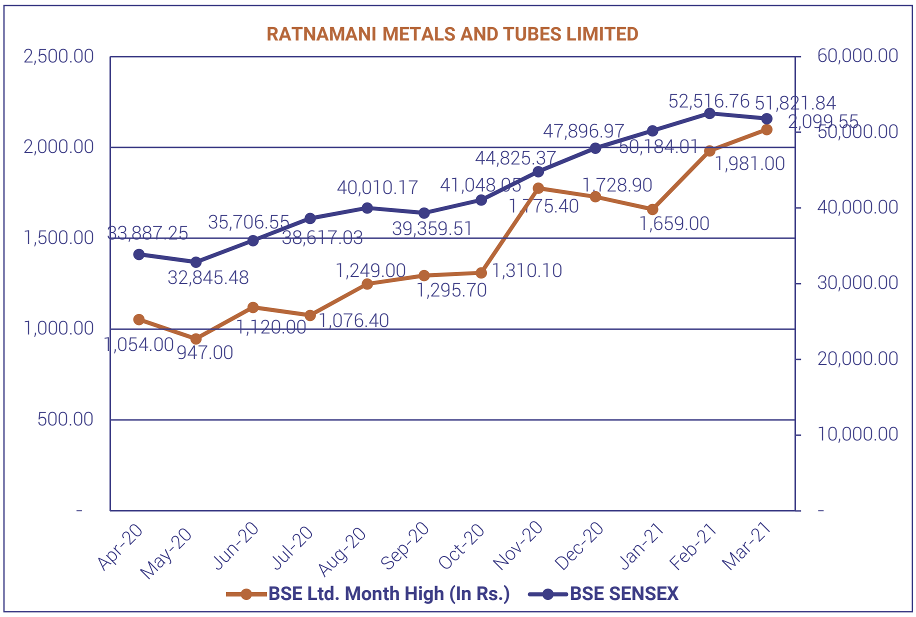
G. Stock Code / Symbol:

Stock Exchanges	Scrip Code
BSE Ltd ("BSE")	520111
National Stock Exchange of India Limited ("NSE")	RATNAMANI
International Security Identification Number ("ISIN")	INE703B01027
Corporate Identification Number ("CIN")	L70109GJ1983PLC006460

H. Market Price Data

Performance in comparison to BSE Sensex and NSE Nifty and Liquidity

Month	Share price BSE		BSE Sensex		BSE Volumes (No. of Shares)	Share price NSE		NSE (NIFTY)		NSE Volumes (No. of Shares)
	High (₹)	Low (₹)	High	Low		High (₹)	Low (₹)	High	Low	
April-20	1,054.00	869.70	33887.25	27500.79	9,268	938.00	870.00	9,889.05	8,055.80	2,14,033
May-20	947.00	790.05	32845.48	29968.45	1,12,506	904.70	790.20	9,598.85	8,806.75	2,83,622
June-20	1,120.00	882.15	35706.55	32348.10	2,34,966	1,119.00	880.00	10,553.15	10,299.60	6,77,092
July-20	1,076.40	1,009.65	38617.03	34927.20	16,894	1,076.90	1,005.00	11,341.40	10,299.60	1,72,711
Aug-20	1,249.00	1,060.70	40010.17	36911.23	35,929	1,248.00	1,043.20	11,794.25	10,882.25	3,94,481
Sept-20	1,295.70	1,119.30	39359.51	36495.98	1,24,207	1,295.00	1,121.20	11,618.10	10,790.20	4,43,410
Oct-20	1,310.10	1,224.50	41048.05	38410.20	20,858	1,310.80	1,223.65	12,025.45	11,347.05	3,52,514
Nov-20	1,775.40	1,166.95	44825.37	39334.92	60,763	1,775.00	1,194.85	13,145.85	11,557.40	7,80,803
Dec-20	1,728.90	1,470.95	47896.97	44118.10	26,438	1,797.10	1,466.00	14,024.85	12,962.80	4,40,559
Jan-21	1,659.00	1,455.00	50184.01	46160.46	17,671	1,659.65	1,453.55	14,753.55	13,596.75	2,79,355
Feb-21	1,981.00	1,459.00	52516.76	46433.65	85,598	1,979.00	1,451.20	15,431.75	13,661.75	12,02,265
Mar-21	2,099.55	1,814.90	51821.84	48236.35	33,155	2,098.00	1,810.05	15,336.30	14,264.40	10,70,295



I. Registrar & Share Transfer Agents (RTA)

Your Company has appointed Link Intime India Private Limited, as Registrar and Transfer Agent of the Company.

J. Share Transfer System

In compliance with SEBI regulations, the Company has appointed Link Intime India Private Limited as its Registrar & Transfer Agent. All the shareholders of the Company are therefore requested to correspond directly with them on the matters related to transfer and transmission of shares, demat /remat of the shares etc. Their address for correspondence is mentioned in sub point 'T' given herein after.

Further, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed unless the securities are held in the dematerialised form with the depositories. In view of the same, Equity Shares of the Company shall be eligible for transfer only in Dematerialized form. Therefore, Shareholders are requested to dematerialise the Equity Shares of the Company, if held by them in physical mode.

Board's Report (Contd...)

The Company has signed necessary agreements with both the depositories functional in India viz. National Securities Depository Limited & Central Depository Services (India) Limited. The transfer of shares in electronic mode need not be approved by the Company.

K. Demat Suspense Account / Unclaimed Suspense Account:

There are no shares lying with demat suspense account or unclaimed suspense account.

L. Distribution of Shareholdings as on 31st March, 2021:

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 to 500	11,441	92.35	7,30,355	1.56
501 to 1000	440	3.55	3,42,702	0.73
1001 to 2000	201	1.62	2,90,537	0.62
2001 to 3000	63	0.51	1,56,678	0.34
3001 to 4000	37	0.30	1,29,517	0.28
4001 to 5000	28	0.22	1,30,935	0.28
5001 to 10000	43	0.35	3,07,685	0.66
10001 & Above	136	1.10	4,46,39,591	95.53
Total	**12,389**	**100.00**	**4,67,28,000**	**100.00**

M. Category wise Shareholders as on 31st March, 2021:

Sr. No.	Category of Shareholders	No. of Shares	% of total Shareholding
1	Promoters and Promoters Group(*)	2,81,11,625	60.16
2	Central Government	2,292	00.00
3	Bodies Corporate	3,97,819	00.85
4	Foreign Portfolio Investors (Corporate)	52,38,273	11.21
5	Nationalized Banks	330	00.00
6	Mutual Funds	66,32,084	14.19
7	Non Resident Indians (Repatriable)	1,94,513	00.42
8	Non Resident Indians (Non Repatriable)	18,189	00.04
9	Public	58,51,708	12.52
10	Clearing Members	9,649	00.02
11	Hindu Undivided Family	68,346	00.15
12	Investors Education and Protection Fund Authority	1,72,008	00.37
13	Alternate Investment Funds – III	31,164	00.07
	TOTAL	**4,67,28,000**	**100.00**

(*) Pursuant to Regulation 31(2) of SEBI (LODR) Regulations, 2015, the 100% Shareholding of Promoters is in dematerialise form and the same is maintained on continuous basis.

N. Dematerialization of Shares

The Equity Shares of the Company are traded compulsorily in the dematerialized form by all the investors. The Company has entered into an agreement with both National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") whereby the Shareholders have an option to dematerialize their shares with either of the depositories.

The Demat ISIN Number for both NSDL and CDSL for the Company's Equity Shares is INE703B01027.

Status of Dematerialization and Physical of the Company's Equity Shares as on 31st March, 2021 is as under:

Particulars	No. of shares as on 31st March, 2021	% of Total Capital as on 31st March, 2021	No. of Shareholders as on 31st March, 2021
A. National Securities Depository Limited ("NSDL")	3,37,29,821	72.18	6,050
B. Central Depository Services (India) Limited ("CDSL")	1,25,41,612	26.84	5,481
1. Total Dematerialized Shares (A + B)	4,62,71,433	99.02	11,531
2. Physical	4,56,567	00.98	858
Total	**4,67,28,000**	**100.00**	**12,389**

O. Corporate Benefits to Shareholders:

a. Dividend declared for the last seven years:

Financial Year	Dividend Declaration Date	Dividend in Rupees Per Equity Share of ₹ 2/- each	Dividend Rate (%)	Total Outgo (excluding DDT) (₹ in Lacs)
2019-20 (Interim)	5th March, 2020	12.00	600	5,607.36
2018-19	9th August, 2019	9.00	450	4,205.52
2017-18	9th August, 2018	6.00	300	2,803.68
2016-17	12th September, 2017	5.50	275	2,570.04
2015-16 (Interim)	12th March, 2016	5.50	275	2,570.04
2014-15	23rd September, 2015	5.50	275	2,570.04
2013-14	11th September, 2014	4.50	225	2,100.76

b. Transfer of Unclaimed amounts to Investor Education and Protection Fund

All unclaimed dividend amount up to financial year 2012-13 have been transferred to Investor Education & Protection Fund and no claim will lie against the Company or the funds in respect of the unclaimed amount so transferred.

c. Transfer of the "Shares" into Investor Education and Protection Fund ("IEPF") (in cases where dividend has not been paid or claimed for seven consecutive years or more)

In terms of Section 124 (6) of the Act read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, and Notifications issued by the Ministry of Corporate Affairs from time to time, the Company is required to transfer the shares in respect of which dividends have remained unpaid/unclaimed for a period of seven consecutive years or more to the IEPF Account established by the Central Government. As required under the said Rules, the Company has transferred 19,320 equity shares to the IEPF in the FY 2020-21.

P. NACH/NECS/ECS Facilities:

In order to enable usage of electronic payment instruments for distribution of corporate benefits, the shareholders are requested to ensure that their correct bank account particulars are available in the database of depositories, in case the shares are held in demat form.

Shareholders holding shares in physical form, who wish to avail NACH/NECS/ECS facilities, may send their Mandate in the prescribed format to our Registrar & Transfer Agent namely Link Intime India Private Limited.

Q. Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity:

– NIL –

Board's Report (Contd...)

R. Plant Locations : -

Stainless Steel ("SS") Division	Survey No. 423, Ahmedabad-Mehsana Highway, Village-Indrad, Nr. Chhatral GIDC, Taluka – Kadi, Dist. Mehsana, Pin code – 382 715, Gujarat (India).
Carbon Steel ("CS") Division	Plot No. 3306 to 3309, GIDC Estate, Phase IV, Ahmedabad – Mehsana Highway, P.O. Chhatral, Taluka – Kalol, Dist.: Gandhinagar, Pin code – 382 729, Gujarat (India).
Kutch Division (SS Div. & CS Div.)	Survey No. 474, Anjar-Bhachau Road, Village: Bhimasar, Tal. Anjar, Nr. Gandhidham, Dist.: Kutch, Pin code – 370 240, Gujarat (India).

S. Address and Contact details of the Company:

Registered Office: 17, Rajmugat Society, Naranpura Char Rasta, Ankur Road, Naranpura, Ahmedabad – 380013. Phone no.: 079-27415504

Corporate Office: The First, A & B Wing, 9th Floor, Behind Keshav Baug Party Plot, The First Avenue Road, Off 132 Ft Ring Road, Vastrapur, Ahmedabad – 380015
Phone No.: 079-29601200/01/02, Fax No.: 079-29601210,
E-mail: info@ratnamani.com, Website: www.ratnamani.com.

T. Address of the Registrar & Transfer Agent:

Shareholders may correspondence directly to Link Intime India Private Limited at the following address:

RTA's REGISTERED OFFICE ADDRESS	RTA's AHMEDABAD BRANCH ADDRESS
Link Intime India Private Limited Unit: Ratnamani Metals & Tubes Limited C-101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai – 400 083. Tel. No. – (022) 49186000 Fax No. – (022) 49186060 E-mail: rnt.helpdesk@linkintime.co.in	Link Intime India Private Limited Unit: Ratnamani Metals & Tubes Limited 5th Floor, 506 to 508, Amarnath Business Centre – 1 (ABC – 1), Besides Gala Business Centre, Nr. St. Xavier's College Corner, Off C. G. Road, Navrangpura, Ahmedabad – 380 009. Tel No. 079-26465179 Email : ahmedabad@linkintime.co.in

8. CORPORATE ETHICS

1. Code of conduct for Board Members and Senior Management

The Board has formulated Code of Conduct for all Board Members and Senior Management of the Company and the same is posted on the website of the Company. A declaration signed by the Managing Director in terms of the Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that all the Board Members and Senior Management Personnel have affirmed compliance with the said Code of Conduct during the financial year 2020-21 has been received.

2. Code of Conduct for prevention of Insider Trading – Insider Trading Code, 2015

The Securities and Exchange Board of India (hereinafter referred as "SEBI"), has issued the SEBI (Prohibition of Insider Trading) Regulation, 2015. This regulation requires all the Listed Companies to set up an appropriate mechanism and to frame and enforce a policy of internal procedures and conduct so as to curb Insider Trading. The code ensures prevention of dealing in Company's shares by persons having access to unpublished price sensitive information.

The said "Code" is also been uploaded on the Company's website at www.ratnamani.com

3. Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified practicing Company Secretary carries out Secretarial Audit to reconcile total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

4. **Internal Checks**

The Company has both external and internal audit systems in place. The Company has adequate Internal Control Systems to ensure that all assets are safeguarded and transactions are authorised, recorded and reported properly. The Internal Controls are periodically reviewed to enhance efficiency and to ensure statutory compliances. The Internal Audit plan is designed in consultation with the Statutory Auditors and Audit Committee. Regular operational and transactional audits are conducted by professionally qualified and technical persons and the results are used for effective control and improvements. Board and the management periodically review the findings and recommendation of Auditors and take corrective actions wherever necessary.

5. **Certification by Practicing Company Secretary**

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained a Corporate Governance Compliance Certificate for the FY 2020-21 from M/s. M. C. Gupta & Co., Company Secretaries in practice, regarding compliance of conditions of Corporate Governance as stipulated and is annexed herewith.

For and on behalf of the Board of Directors

PRAKASH M. SANGHVI
Chairman and Managing Director
DIN: 00006354

Place: Ahmedabad
Date: June 2, 2021

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To the Members of
Ratnamani Metals and Tubes Limited

We have examined the compliance of the conditions of Corporate Governance by Ratnamani Metals and Tubes Limited ("the Company"), for the year ended on 31st March, 2021, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause and applicable Regulations. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, M. C. GUPTA & CO.,
Company Secretaries
UCN: S1986GJ003400

Mahesh C. Gupta
Proprietor
FCS: 2047 (CP. 1028)
Peer Review: 579/2019
UDIN: F002047C000409960

Place: Ahmedabad
Date: 2nd June, 2021

Board's Report (Contd...)

ANNEXURE -D

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2020-21

1. Brief outline on CSR Policy of the Company.

The CSR Policy encompasses the Company's philosophy of giving back to the society as a responsible corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare & sustainable development of the community at large and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company. Further, the CSR Policy shall contain the approach and direction given by the Board, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the Annual Action Plan.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Pravinchandra M. Mehta	Chairman of Committee / Independent Director	3	3
2	Shri Prakash M. Sanghvi	Member / Managing Director	3	3
3	Shri Jayanti M. Sanghvi	Member / Joint Managing Director	3	3

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

1)	Composition of CSR committee	http://www.ratnamani.com/download/Investor_info/composition_of_committee.pdf
2)	CSR Policy	http://www.ratnamani.com/download/Code_and_Policy/CSR_Policy.pdf
3)	CSR projects	http://www.ratnamani.com/investors_relations.html#left-tab6

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

Not Applicable for the FY 2020-21

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

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be setoff for the financial year, if any (in Rs.)
		Nil	

6. Average net profit of the Company as per section 135(5) – ₹33,480.80 Lakhs

7. (a) Two percent of average net profit of the Company as per section 135(5) - ₹669.62 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil

(c) Amount required to be set off for the financial year, if any - Nil

(d) Total CSR obligation for the financial year (7a+7b-7c) - ₹669.62 Lakhs

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹3,28,42,554/-	₹3,41,19,446	30th April, 2021	Not Applicable		

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Impleme-ntation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	Building, Setting up of School	Item No. (ii) Promotion of Education	Yes	Gujarat	Kutch	4 Financial Years (including 2020-21)	₹ 3,62,19,446/-	₹ 21,00,000/-	₹ 3,41,19,446	Implem-enting agency	Shree Mahavir Education Trust	CSR00005770
TOTAL AMOUNT							₹ 3,62,19,446/-	₹ 21,00,000/-	₹ 3,41,19,446			

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implem-entation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State.	District.			Name	CSR registration number
1	Tree Plantation	Ensure Environmental Sustainability	Yes	Gujarat	Mehsana	42,500	Direct	-	-
2	Expenses at Gau Shala		Yes	Gujarat	Kutch	2,58,000	Implementing Agency	Gayatri Panchang Charitable Trust & Jain Social Group	-
3	Maintenance of Trees Planted		Yes	Gujarat	Banaskantha	2,21,160	Direct	-	-
4	Save The Sparrow		Yes	Gujarat	Ahmedabad	3,19,075	Direct	-	-
5	Food Kit Distribution	Eradicating Hunger	Yes	Gujarat	Kutch	1,79,067	Direct	-	-
6	Ration Kit Distribution		Yes	Gujarat	Banaskantha	1,30,200	Direct	-	-
7	Distribution of Food Kit		Yes	Other	Ahmedabad	7,00,000	Direct	-	-
8	Construction of School in Kutch/ Ahmedabad Location	Promoting Education	Yes	Gujarat	Mehsana	2,21,00,000	-	Shree Mahavir Education Trust	CSR00005770
9	Redevelopment of Anganwadis & Primary Schools		Yes	Gujarat	Banaskantha	44,58,625	Direct	-	-
10	Educational help to Budhasan, CERC & A K Munshi Yojna		Yes	Other	Ahmedabad	7,63,860	-	Consumer Education & Research Centre & AK Munshi Yojna	-
11	Cloths Distributed to Nenava Primary School Girls	Promoting Gender Equality	Yes	Gujarat	Banaskantha	24,407	Direct	-	-
12	Polar Blankets Distribution to Physically Challenged Kids		Yes	Other	Kheda	44,938	Direct	-	-

Board's Report (Contd...)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implem-entation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State.	District.			Name	CSR registration number
13	Distribution of ECG Machine & Covid Precautionary Medical Material	Promoting Health Care	Yes	Gujarat	Mehsana	1,26,901	Direct	-	-
14	Distribution of Covid Precautionary Medical Material		Yes	Gujarat	Kutch	1,66,222	Direct	-	-
15	Distribution of ECG Machine & Covid Precautionary Medical Material		Yes	Gujarat	Banaskantha	1,20,212	Direct	-	-
16	Contribution of Corona Testing Kit & Medical Machine to Gujarat Cancer Society		Yes	Other	Ahmedabad	13,94,200	Implementing Agency	Pragmatic Solution & The Gujarat Cancer Society	-
17	Indrad Prayer Hall Construction	Rural Development Projects	Yes	Gujarat	Banaskantha	56,601	Direct	-	-
18	Pond Deepening at Satapar Village		Yes	Gujarat	Kutch	7,41,546	Direct	-	-
19	Drainage Line Construction		Yes	Gujarat	Banaskantha	9,95,040	Direct	-	-
		Total				**3,28,42,554**			

(d) Amount spent in Administrative Overheads - Nil

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - ₹ 3,28,42,554/-

(g) Excess amount for set off, if any:

Sr. No.	Particular	(₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	₹ 669.62
(ii)	Total amount spent for the Financial Year	₹ 328.43
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NIL							

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

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

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

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

Not Applicable

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). –

The Company has spent the entire CSR Budget for the Financial Year 2020-21 save and except to the extent the same pertains to the Ongoing projects as defined in the CSR Policy.

	PRAKASH M. SANGHVI	**PRAVINCHANDRA M. MEHTA**
Date: 2nd June, 2021	Managing Director	Chairman CSR Committee
Place: Ahmedabad	(DIN: 00006354)	(DIN: 00012410)

ANNEXURE – E

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1), 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. **The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:**

Sr. No.	Name of Directors / KMPs and Designation	% increase in Remuneration in the F.Y. 2020-21	Ratio of Remuneration of each Director to median remuneration of employees
1.	Shri Prakash M. Sanghvi, Chairman & Managing Director	Not Applicable	569.04
2.	Shri Jayanti M. Sanghvi, Joint Managing Director	Not Applicable	360.88
3.	Shri Shanti M. Sanghvi, Whole Time Director	Not Applicable	251.33
4.	Shri Pravinchandra M. Mehta, Independent Director	Not Applicable	Not Applicable (*)
5.	Shri Divyabhash C. Anjaria, Independent Director	Not Applicable	Not Applicable (*)
6.	Dr. Vinodkumar M. Agrawal, Independent Director	Not Applicable	Not Applicable (*)
7.	Smt. Nidhi G. Gadhecha, Independent Director	Not Applicable	Not Applicable (*)
8.	Shri Vimal Katta, Chief Financial Officer	1.44	Not Applicable
9	Shri Jigar Shah, Company Secretary	Not Applicable (**)	Not Applicable (**)
10.	Shri Anil Maloo, Company Secretary	Not Applicable (**)	Not Applicable (**)

(*) Only Sitting Fees was paid for attending Board and Committee meetings held during the year.

(**) Shri Anil Maloo was appointed as a Company Secretary w.e.f. January 1, 2021 and Shri Jigar Shah was ceased to be the Company Secretary w.e.f. December 31, 2020.

Board's Report (Contd...)

Note – 1:

Directors' remuneration details mentioned in serial no.4 to 7 are only for sitting fees paid towards Board Meetings and Committee Meetings.

2	Increase in the median remuneration of employees	0.07%
3	No. of permanent employees on the rolls of Company as on March 31, 2021	2,247
4	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2020-21 was 0.07% whereas there is decrease in the managerial remuneration for the same financial year at -10.52%. The changes in salaries are decided based on the domestic and international Micro and Macro Economic conditions, Company's performance, individual performance, inflation, prevailing industry trends and other benchmarks.
5	Affirmation that the remuneration is as per the Remuneration Policy of the Company	It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Note - 2:

Sub-clause (v), (vi), (vii), (ix), (x) and (xi) of Rule 5(1): Omitted by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 dated 30th June, 2016.

Note - 3:

Rules 5(2) and 5(3): The information required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Having regard to the provisions of Section 134 and Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the Members excluding such information. However, the said information is available for inspection by the Members at the registered office of the Company during its working hours up to the date of ensuing Annual General Meeting. Further, any Member interested in obtaining such information may obtain it by writing to the Company Secretary at investor@ratnamani.com.

For and on behalf of the Board of Directors

PRAKASH M. SANGHVI
Chairman and Managing Director
DIN: 00006354

Place: Ahmedabad
Date: 2nd June, 2021

Board's Report (Contd...)

Annexure – "F"

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Ratnamani Metals and Tubes Limited,
17, Rajmugat Society, Naranpura Char Rasta,
Ankur Road, Naranpura, Ahmedabad – 380 013

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Ratnamani Metals and Tubes Limited** (CIN: L70109GJ1983PLC006460) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   (a). The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b). The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c). The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   (d). The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period)

   (e). The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)

   (f). The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   (g). The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period)

   (h). The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the Audit Period)

(vi) The Company has complied with the following specifically other applicable laws to the Company:

(a) Indian Boilers Act, 1923.

(b) Static and Mobile Pressure Vessels Rules, 1999.

(c) Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996.

(d) Hazardous Wastes (Management and Handling) Rules, 1989.

(e) The Water (Prevention and Control of Pollution) Act, 1974

(f) The Water (Prevention and Control of Pollution) Cess Act, 1977.

(g) Air (Prevention and Control of Pollution) Act, 1981.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. *There was a delay of 2 days under Regulation 34 in submission of Annual Report for the year 2019-20 and a monetary fine of Rs. 2,000/- per day plus GST (Rs. 4,720/-) under SEBI-SOP was paid by the Company to each of BSE Limited and National Stock Exchange of India Limited on 12th January, 2021 and the Board has taken note of same in its Board Meeting held on 2nd February, 2021.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the year under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were usually sent seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There were no dissenting views on any matter.

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

We further report that during the audit period the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc except the following:

1. The 36th Annual General Meeting of the members of the Company was held on 27th August, 2020 through VC/OAVM in terms of MCA General Circular nos. 14/2020 Dated 8th April, 2020, 17/2020 Dated 13th April, 2020 and 20/2020 Dated 5th May, 2020.

For M. C. Gupta & Co.
Company Secretaries
UCN: S1986GJ003400

Mahesh C Gupta
Proprietor
FCS: 2047 (CP. 1028)
Peer Review: 579/2019
UDIN: F002047C000410004

Place: Ahmedabad
Date: 2nd June, 2021

Note: This Report is to be read with Our Letter of even date which is annexed as Annexure "A" and forms an integral part of this report.

Board's Report (Contd...)

Annexure: "A"

To,
The Members,
Ratnamani Metals and Tubes Limited,
17, Rajmugat Society, Naranpura Char Rasta,
Ankur Road, Naranpura, Ahmedabad – 380 013

Our Report of even date is to be read along with this Letter;

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

For M. C. Gupta & Co.
Company Secretaries
UCN: S1986GJ003400

Mahesh C Gupta
Proprietor
FCS: 2047 (CP. 1028)
Peer Review: 579/2019
UDIN: F002047C000410004

Place: Ahmedabad
Date: 2nd June, 2021

ANNEXURE – G

FORM NO. AOC -2

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. **Details of contracts or arrangements or transactions not at Arm's length basis.**

Sr. No.	Particulars	Details
(a)	Name(s) of the related party & nature of relationship	Nil (All Contracts / arrangements / transactions are at arm's length basis and in ordinary course of business)
(b)	Nature of contracts/arrangements/ transaction	
(c)	Duration of the contracts/ arrangements/ transaction	
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions'	
(f)	Date of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	

2. **Details of material contracts or arrangements or transactions at arm's length basis**

Sr. No.	Particulars	Details
(a)	Name (s) of the related party & nature of relationship	Nil
(b)	Nature of contracts / arrangements / transaction	
(c)	Duration of the contracts / arrangements / transaction	
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
(e)	Date of approval by the Board	
(f)	Amount paid as advances, if any	

For and on behalf of the Board of Directors

PRAKASH M. SANGHVI
Chairman and Managing Director
DIN: 00006354

Place : Ahmedabad
Date : 2nd June, 2021

Independent Auditors' Report

To the Members of **Ratnamani Metals & Tubes Limited**

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

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

Key audit matters	How our audit addressed the key audit matter
Recoverability of Trade Receivable balances *(as described in note 6 of the standalone financial statements)*	
Year-end outstanding trade receivables represent balance outstanding from domestic and export customers. Trade receivables by nature carry certain risks in general which include overdue balances, customers in weaker economic and geopolitical environment, customer's ability to pay, provision in relation to expected credit loss, assessment of recovery process and compliance with risk management controls. Procedures to mitigate such risks includes element of management judgment and are important to access recoverability of trade receivables. Trade receivables has been considered a key audit matter in the current year due to the significance of the amount and element of judgement involved in overall management assessment of customers' ability to repay the outstanding balances during COVID 19 disruption.	Our audit procedures among other things, included the following: - We obtained an understanding, evaluated the design, and tested the operating effectiveness of the controls related to the Trade Receivable process, where we tested on a sample basis control over the customer acceptance process, collection and the assessment of the recoverability of receivables; - Tested on a sample basis the aging of trade receivables at year end; - In respect of material trade receivables balances, inspected relevant contracts and correspondence with the customers, wherever applicable; - In respect of material trade receivables balances which are past due, additional procedures were performed to evaluate their historical payment trends, terms & conditions of customer contracts, enquired from management whether the customers are experiencing financial difficulties or any COVID 19 impact, and assessed expected credit loss assessment provided and impact considered by the management; - Compared the collateral, on test basis, in the nature of bank guarantees/letter of credits provided by customers as applicable; - Verified subsequent collection in relation to receivables outstanding as at March 31, 2021.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Standalone Financial Statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019. 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 the design, implementation

Independent Auditors' Report (Contd.)

and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019;

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 26(b) to the standalone financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 32 to the standalone financial statements;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per Pritesh Maheshwari
Partner
Membership No.: 118746
UDIN: 21118746AAAAAZ831

Place : Mumbai
Date : June 2, 2021

For Kantilal Patel & Co.
Chartered Accountants
ICAI Firm registration number: 104744W

per Jinal A. Patel
Partner
Membership No.: 153599
UDIN: 21153599AAAAEH4593

Place : Ahmedabad
Date : June 2, 2021

Annexure 1 to Independent Auditors' Report

Annexure 1 referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date for the year ended March 31, 2021

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment;

(b) All Property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification;

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in Property, plant and equipment are held in the name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. There was no inventory lying with third parties.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable and hence not commented upon.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of steel tubes and pipes, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess, professional tax and superannuation have generally been regularly deposited with the appropriate authorities.

(b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, duty of custom, goods and service tax, cess, professional tax, superannuation were outstanding, at the year end, for a period of more than six months from the date they became payable.

Annexure 1 to Independent Auditors' Report (Contd.)

(c) According to the records of the Company, the dues outstanding of value added tax, sales tax, excise duty and employee state insurance scheme on account of any dispute, are as follows:

Name of the Statute	Nature of the dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty and Penalty	14.38*	April 2012 to February 2015	Commissioner (Appeals)
		204.17#	March 2012 to March 2013	Central Excise and Service Tax Appellate Tribunal
Employee State Insurance Scheme	Tax	444.32	November 1991 to March 2021	Hon'ble High Court of Gujarat
Finance Act,1994 (Service Tax)	Tax, Interest and Penalty	63.56@	April 2016 to June 2017	Assistant Commissioner
		176.13~	February 2012 to February 2013	Central Excise and Service Tax Appellate Tribunal
Goods and Service tax Act, 2017	Tax and Penalty	102.38	February 2012 to February 2013	Hon'ble High Court of Gujarat
Gujarat Value Added Tax, 2003	Tax, Interest and penalty	191.70^	FY 2010-11	Dy. Commissioner (Appeals)
Customs Act 1962	Tax, Interest and penalty	217.27	March 2006	Hon'ble High Court of Bombay
		212.78**	November 2014 to July 2015	Central Excise and Service Tax Appellate Tribunal

*Net of ₹ 1.16 Lakhs paid under protest

#Net of ₹ 10.74 Lakhs paid under protest

@Net of ₹ 2.47 Lakhs paid under protest

~ Net of ₹ 9.27 Lakhs paid under protest

^Net of ₹ 47.87 Lakhs paid under protest

**Net of ₹ 6.79 Lakhs paid under protest

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a bank. The Company did not have any outstanding loans or borrowings dues in respect of a financial institution or to government or dues to debenture holders during the year.

(ix) In our opinion and according to the information and explanations given by the management and audit procedures performed by us, the Company has utilised the monies raised by way of term loans for the purposes for which they were raised. According to the information and explanations given by the management, the Company has not raised any money by way of further public offer / debt instruments.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

Annexure 1 to Independent Auditors' Report (Contd.)

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and hence not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013. Accordingly, reporting requirements under clause 3(xv) are not applicable to the Company and hence not commented upon.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and hence not commented upon.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per Pritesh Maheshwari
Partner
Membership No.: 118746
UDIN: 21118746AAAAAZ831

Place : Mumbai
Date : June 2, 2021

For Kantilal Patel & Co.
Chartered Accountants
ICAI Firm registration number: 104744W

per Jinal A. Patel
Partner
Membership No.: 153599
UDIN: 21153599AAAAEH4593

Place : Ahmedabad
Date : June 2, 2021

Annexure 2 to Independent Auditors' Report

Annexure 2 referred to paragraph 2 of Report on Other Legal Regulatory Requirements of Independent Auditor's report of even date for year ended March 31, 2021.

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

We have audited the internal financial controls over financial reporting of Ratnamani Metals & Tubes Limited (the "Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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. 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.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these

Annexure 2 to Independent Auditors' Report (Contd.)

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per Pritesh Maheshwari
Partner
Membership No.: 118746
UDIN: 21118746AAAAAZ831

Place : Mumbai
Date : June 2, 2021

For Kantilal Patel & Co.
Chartered Accountants
ICAI Firm registration number: 104744W

per Jinal A. Patel
Partner
Membership No.: 153599
UDIN: 21153599AAAAEH4593

Place : Ahmedabad
Date : June 2, 2021

Standalone Balance Sheet
As at 31st March, 2021

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	86,437.45	49,913.77
Capital work-in-progress	3	7,632.35	37,146.02
Intangible assets	3	73.33	77.62
Financial assets	4		
Investments		6.08	6.08
Loans		9.95	13.50
Other financial assets		1,105.12	117.94
Other non-current assets	8	945.69	3,087.28
Total non-current assets		**96,209.97**	**90,362.21**
Current assets			
Inventories	5	53,688.71	85,921.10
Financial assets			
Investments	4	63,651.31	15,483.64
Trade receivables	6	40,257.31	37,018.34
Cash and cash equivalents	7 (a)	4,252.37	4,593.78
Other balances with banks	7 (b)	1,140.00	12,732.23
Loans	4	20.03	26.00
Other financial assets	4	623.49	1,133.95
Other current assets	8	1,709.43	7,107.16
Total current assets		**1,65,342.65**	**1,64,016.20**
TOTAL ASSETS		**2,61,552.62**	**2,54,378.41**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	9	934.56	934.56
Other equity	10	1,97,712.57	1,69,879.72
Total equity		**1,98,647.13**	**1,70,814.28**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	11	14,558.23	17,562.51
Other financial liabilities	14	1,730.39	1,077.34
Deferred tax liabilities (net)	12	3,933.99	3,068.22
Total non-current liabilities		**20,222.61**	**21,708.07**
Current liabilities			
Financial liabilities			
Borrowings	11	79.61	4,435.65
Trade payables	13		
- Total outstanding dues of micro enterprises and small enterprises		900.59	619.39
- Total outstanding dues of creditors other than micro enterprises and small enterprises		23,350.43	25,802.60
Other financial liabilities	14	10,024.40	9,436.09
Other current liabilities	15	5,940.40	20,965.80
Provisions	16	220.63	567.41
Current tax liabilities (net)	17	2,166.82	29.12
Total current liabilities		**42,682.88**	**61,856.06**
Total liabilities		**62,905.49**	**83,564.13**
TOTAL EQUITY AND LIABILITIES		**2,61,552.62**	**2,54,378.41**
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration
No: 324982E/E300003

per PRITESH MAHESHWARI
Partner
Membership No. 118746

Place : Mumbai
Date : 2nd June, 2021

For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration
No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : 2nd June, 2021

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

P. M. SANGHVI
Chairman and Managing Director
DIN : 00006354

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Standalone Statement of Profit & Loss

For the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Notes	Year Ended 31st March, 2021	Year Ended 31st March, 2020
INCOME			
Revenue from operations	18	2,29,813.15	2,58,567.60
Other income	19	4,340.75	5,929.99
Total income		**2,34,153.90**	**2,64,497.59**
EXPENSES			
Cost of raw materials and components consumed	20	1,35,984.44	1,75,017.97
Changes in inventories of finished goods and work-in-progress	21	11,153.67	(5,387.33)
Employee benefits expenses	22	14,083.35	14,481.18
Finance costs	23	2,290.02	2,096.27
Depreciation and amortisation expenses	3	5,685.36	5,850.77
Other expenses	24	28,619.46	31,808.51
Total expenses		**1,97,816.30**	**2,23,867.37**
Profit before tax		**36,337.60**	**40,630.22**
TAX EXPENSE			
Current tax	12	8,518.89	10,498.30
Excess provision for current tax of earlier years		(605.41)	(41.59)
Deferred tax	12	834.14	(576.17)
Total tax expense		**8,747.62**	**9,880.54**
Net profit for the year		**27,589.98**	**30,749.68**
Other comprehensive income / (loss)			
a) Items that will not be reclassified to profit and loss in subsequent periods			
Re-measurement gain / (loss) on defined benefit plans	12	198.87	(223.78)
Income tax effect		(50.05)	56.32
		148.82	**(167.46)**
b) Items that will be reclassified to profit and loss in subsequent periods			
Net movement in cash flow hedge reserve		125.68	(71.98)
Income tax effect		(31.63)	(53.33)
		94.05	**(125.31)**
Total other comprehensive income / (loss) for the year, net of tax		**242.87**	**(292.77)**
Total comprehensive income for the year, net of tax		**27,832.85**	**30,456.91**
Earnings per equity share [nominal value per share ₹ 2/- (31st March, 2020: ₹ 2/-)]	31		
Basic & Diluted		59.04	65.81
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration
No: 324982E/E300003

per PRITESH MAHESHWARI
Partner
Membership No. 118746

Place : Mumbai
Date : 2nd June, 2021

For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration
No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : 2nd June, 2021

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

P. M. SANGHVI
Chairman and Managing Director
DIN : 00006354

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Standalone Statement of Change in Equity

For the year ended 31st March, 2021

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each issued, subscribed and fully paid	No. in Lakhs	₹ in Lakhs
As at 1st April, 2019	467.28	934.56
Issue of Equity Share Capital	-	-
As at 31st March, 2020	467.28	934.56
Issue of Equity Share Capital	-	-
As at 31st March, 2021	**467.28**	**934.56**

B. OTHER EQUITY (REFER NOTE-10)

(₹ in Lakhs)

Particulars	Reserves & Surplus					Cash Flow Hedge Reserve	Total Other Equity
	Securities Premium	Capital Reserve	Amalgamation Reserve	General Reserve	Retained Earnings		
As at 1st April, 2019	2,279.06	490.04	392.11	72,625.16	75,941.82	(475.43)	1,51,252.76
Profit for the year	-	-	-	-	30,749.68	-	30,749.68
Other Comprehensive Income :							
Re-measurement loss on defined benefit plans (net of tax)	-	-	-	-	(167.46)	-	(167.46)
Net movement in cash flow hedge reserve (net of tax)	-	-	-	-	-	(125.31)	(125.31)
Total Comprehensive Income	-	-	-	-	30,582.22	(125.31)	30,456.91
Dividend paid (refer note-10)	-	-	-	-	(9,812.88)	-	(9,812.88)
Dividend Distribution Tax (refer note-10)	-	-	-	-	(2,017.07)	-	(2,017.07)
As at 31st March, 2020	**2,279.06**	**490.04**	**392.11**	**72,625.16**	**94,694.09**	**(600.74)**	**1,69,879.72**
Profit for the year	-	-	-	-	27,589.98	-	27,589.98
Other Comprehensive Income:							
Re-measurement gain on defined benefit plans (net of tax)	-	-	-	-	148.82	-	148.82
Net movement in cash flow hedge reserve (net of tax)	-	-	-	-	-	94.05	94.05
Total Comprehensive Income	-	-	-	-	27,738.80	94.05	27,832.85
As at 31st March, 2021	**2,279.06**	**490.04**	**392.11**	**72,625.16**	**1,22,432.89**	**(506.69)**	**1,97,712.57**

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration
No: 324982E/E300003

per PRITESH MAHESHWARI
Partner
Membership No. 118746

Place : Mumbai
Date : 2nd June, 2021

For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration
No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : 2nd June, 2021

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

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VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Standalone Statement of Cash Flow

For the Year Ended 31st March, 2021

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	36,337.60	40,630.22
Adjustments to reconcile profit before tax to net cash flows:		
Gain on Sale/Discard of property, plant and equipment & Capital Work-in-Progress (net)	(16.39)	(1.81)
Depreciation and amortisation expense	5,685.36	5,850.77
Dividend Income	-	(5.36)
Interest income and fair value changes in financial instruments	(2,789.21)	(2,627.25)
Unrealised Foreign Exchange Loss	111.77	139.33
Provision for doubtful debts (net)	(120.89)	38.80
Excess provision/liabilities no longer payable written back	(50.53)	(446.28)
Interest expense	2,016.96	1,561.71
Operating Profit before working capital changes	**41,174.67**	**45,140.13**
Working capital adjustments:		
(Increase)/Decrease in trade receivables	(3,087.05)	9,734.33
Decrease/(Increase) in inventories	32,232.39	(26,918.17)
Decrease in loans	9.52	8.93
(Increase)/Decrease in other financial assets	(158.81)	44.00
Decrease/(Increase) in other non-financial assets	5,397.73	(5,696.41)
Decrease in trade payables	(2,216.20)	(3,362.62)
(Decrease)/Increase in other liabilities	(15,025.40)	12,520.38
Increase in other financial liabilities	2,044.22	834.29
(Decrease) in provisions	(147.91)	(146.60)
Cash generated from operations	**60,223.16**	**32,158.26**
Direct taxes paid (net)	(5,698.60)	(10,618.75)
Net Cash generated from operating activities	**54,524.56**	**21,539.51**
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets (including CWIP and capital advances)	(12,985.60)	(29,800.93)
Proceeds from sale of property, plant and equipment	89.03	12.22
(Purchase)/Sales of current investments (net)	(48,167.67)	4,829.66
Proceeds / (Deposits) from Deposits With Banks (net)	10,617.23	(12,732.23)
Dividend income	-	5.36
Interest income	3,446.30	2,005.59
Net Cash used in investing activities	**(47,000.71)**	**(35,680.33)**

Standalone Statement of Cash Flow

For the Year Ended 31st March, 2021

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
C: CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from long term borrowings	2,500.00	19,983.54
Repayment of long term borrowings	(4,034.68)	-
Repayment of short term borrowings (net)	(4,356.04)	(2,104.01)
Dividend paid	-	(9,812.88)
Dividend distribution tax on dividend	-	(2,017.07)
Payment of principal portion of lease liabilities	(82.38)	(50.57)
Interest paid (Including Interest Payment on lease liabilities)	(1,905.40)	(1,318.38)
Net Cash generated/(used in) from financing activities	**(7,878.50)**	**4,680.63**
Net (Decrease) in Cash and Cash Equivalents	**(354.65)**	**(9,460.19)**
Effect of Exchange difference on Cash and Cash equivalents held in foreign currency	13.24	(110.77)
Cash and Cash Equivalents at the beginning of the year	4,593.78	14,164.74
Cash and Cash Equivalents at the end of the year (refer note-7 (a))	**4,252.37**	**4,593.78**

Notes:

a) The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

b) Disclosure of change in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are given below:

(₹ in Lakhs)

Particulars	As at 1st April, 2019	Cash flows	Foreign exchange movement	Changes in Fair Value	Other Changes#	As at 31st March, 2020
Long term borrowings	-	19,983.54	734.42	-	-	20,717.96
Short term borrowings	6,539.66	(2,104.01)	-	-	-	4,435.65
Interest	13.46	(1,318.38)	-	-	1,538.50	233.58
Lease liabilities	-	(50.57)	-	1,141.93	-	1,091.36
Total	**6,553.12**	**16,510.58**	**734.42**	**1,141.93**	**1,538.50**	**26,478.55**

Particulars	As at 1st April, 2020	Cash flows	Foreign exchange movement	Changes in Fair Value	Other Changes#	As at 31st March, 2021
Long term borrowings	20,717.96	(1,534.68)	456.38	-	-	19,639.66
Short term borrowings	4,435.65	(4,356.04)	-	-	-	79.61
Interest	233.58	(1,905.40)	-	-	1,902.14	230.32
Lease liabilities	1,091.36	(82.38)	-	-	-	1,008.98
Total	**26,478.55**	**(7,878.50)**	**456.38**	**-**	**1,902.14**	**20,958.57**

Other changes in interest accrued represents accrual of Interest during the year.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration
No: 324982E/E300003

per PRITESH MAHESHWARI
Partner
Membership No. 118746

Place : Mumbai
Date : 2nd June, 2021

For KANTILAL PATEL & CO
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per JINAL A. PATEL
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DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Notes to Standalone Financial Statements

For the Year Ended 31st March, 2021

1. CORPORATE INFORMATION

Ratnamani Metals & Tubes Limited (the "Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, applicable in India. Its shares are listed on two stock exchanges in India. The registered office of the Company is located at 17, Rajmugat Society, Naranpura Char Rasta, Naranpura, Ahmedabad, Gujarat. The Company is engaged in the manufacturing of stainless steel pipes and tubes and carbon steel pipes at Kutch, Indrad and Chhatral in the state of Gujarat. The Company caters to both domestic and international markets.

The financial statements were authorized for issue in accordance with a resolution passed in Board Meeting held on 2nd June, 2021.

2. BASIS OF PREPARATION:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) including the Companies (Indian Accounting Standards) Amendment Rules, 2019 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements of the Company.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments) and derivative financial instruments.

The financial statements are presented in ₹ and all values are rounded to the nearest Lakhs (₹ 00,000), except where otherwise indicated.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. CURRENT VERSUS NON-CURRENT CLASSIFICATION:

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve month as its operating cycle.

b. FOREIGN CURRENCIES:

The Company's financial statements are presented in ₹, which is also the Company's functional currency. The Company determines the functional currency and items included in the financial statements are measured using that functional currency

Transactions and balances

Transactions in foreign currencies are initially recorded in the Company's functional currency at the exchange rates prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are restated in the functional currency at the exchange rates prevailing on the reporting date of financial statements.

Exchange differences arising on settlement of such transactions and on translation of monetary items are recognised in the Statement of Profit and Loss.

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

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

c. FAIR VALUE MEASUREMENT:

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative financial instruments and unquoted financial assets measured at fair value, and for non- recurring fair value measurement.

External valuers are involved for valuation of significant assets, such and unquoted financial assets. Involvement of external valuers is decided upon annually by the Management after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant accounting judgements, estimates and assumptions (refer note 33 and 34)
- Quantitative disclosures of fair value measurement hierarchy (refer note 33.2)
- Financial instruments (including those carried at amortised cost) (refer note 33.1)

d. PROPERTY, PLANT AND EQUIPMENT (PPE):

PPE and Capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and borrowing costs if capitalisation criteria are met, the cost of replacing part of the property, plant and equipment and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhauling is performed, its cost is recognized in the carrying amount of the PPE as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of parts replaced, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

CWIP comprises of cost of PPE that are yet not installed and not ready for their intended use at the Balance Sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if applicable.

The Company calculates depreciation on items of property, plant and equipment on a straight-line basis using the rates arrived at based on the useful lives defined under Schedule II of the Companies Act, 2013, except in respect of following fixed assets:

(i) Long Term Lease hold land is amortised over a period of 99 years, being the lease term.

(ii) Furnace and X-ray machines are depreciated at an annual rate of 20% to bring the depreciation rates in line with the useful life of assets as estimated by the Technical Team of the Company.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

e. INTANGIBLE ASSETS:

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost, less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets in the form of softwares are amortised on a straight-line basis over six years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

f. BORROWING COSTS:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

g. IMPAIRMENT OF NON-FINANCIAL ASSETS:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

h. LEASES:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee:

I. Right-of-use assets

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

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Assets	Estimated Useful Life
Right-of-use of office premises and leasehold land	Over the balance period of lease agreement

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

II. Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

III. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment, offices and windmills (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value amounting to ₹ 2 Lakhs. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

IV. Leases previously classified as finance leases

The Company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for lease previously classified as finance leases, i.e. the right to use of assets and lease liabilities equal to the lease assets and liabilities recognised under Ind AS 17. The requirements of Ind AS 116 was applied to those leases from 1st April, 2019.

i. FINANCIAL INSTRUMENTS:

A Financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.1(k) Revenue from contracts with customers.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets instruments at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL) (Derivatives and Equity Instruments)

Financial assets at amortised cost (debt instruments)

A 'financial assets' is measured at the amortised cost if both the following conditions are met

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade, loans and other receivables.

Financial Assets at FVTOCI

Financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value, recognised in other comprehensive income (OCI).

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the asset that give rise on specified dates to cash flows that represent solely payment of principal and interest.

Financial Assets at FVTPL

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and investments in equity instruments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on such investments are recognised in the statement of profit and loss when the right of payment has been established.

Financial Assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit and Loss.

Equity investments

Investments in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements. All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e.

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions – see note 2.2
- Financial Assets at FVTPL – see note 2.1 (i)
- Trade receivables and contract assets – see note 6 and 2.1(k)

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default over the expected life of a financial instrument.

The Company considers a financial asset in default when contractual payments are overdue. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

The Balance Sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities & Equity Instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit facilities from banks and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through Statement of Profit and Loss.

Financial liabilities at fair value through Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through statement of Profit and Loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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

j. INVENTORIES:

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Scrap is valued at net realisable value. Cost is determined on a Weighted Average method.

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, incurred in bringing them in their respective present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to make the sale.

k. REVENUE:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 0 to 180 days upon delivery, usually backed by financial arrangements in some cases.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of GST, trade discounts & other taxes, adjustments for late delivery charges and material returned/rejected.

Variable Consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right of liquidated damages. The liquidated damages give rise to variable consideration.

The Company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

ii) The Company accounts for pro forma credits, refunds of duty of customs or refunds of sales tax in the year of admission of such claims by the concerned authorities. Benefits in respect of Export Licenses are recognised on application. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same.

iii) Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

iv) Interest Income is recognized on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss.

v) Revenue from windmills is recognised on unit generation basis, in accordance with the terms of power purchase agreements.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (i) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities (Advance from customers)

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

l. RETIREMENT AND OTHER EMPLOYEE BENEFITS:

Retirement benefits in the form of provident fund and superannuation fund are defined contribution plans. The Company has no obligation, other than the contributions payable to provident fund and

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For the year ended 31st March, 2021 (Contd.)

superannuation fund. The Company recognises contribution payable to these funds as an expense, when an employee renders the related service.

In respect of gratuity liability, the Company operates defined benefit plan wherein contributions are made to a separately administered fund. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each reporting date being carried out using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs; and
- Net interest expense or income

The liability in respect of unused leave entitlement of the employees as at the reporting date is determined on the basis of an independent actuarial valuation carried out and the liability is recognized in the Statement of Profit and Loss. The Company presents the entire leave as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Actuarial gain and loss is recognise in full in the period in which they occur in the Statement of Profit and Loss.

m. TAXES:

Tax expense comprises of current income tax and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax:

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

➢ When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable Profit and Loss.

➢ In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against the deductible temporary differences, except:

➢ When the deferred tax asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

➢ In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

n. PROVISIONS:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

o. DERIVATIVE FINANCIAL INSTRUMENTS:

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks, interest rate, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. The Company uses forward currency contracts and interest rate swaps as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

p. EARNINGS PER SHARE:

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

q. CASH AND CASH EQUIVALENT:

Cash and cash equivalents in the Balance Sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of charges in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

r. CASH DIVIDEND:

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.2 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgement, which have the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal and termination options – Company as lessee.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Revenue from contracts with customers

The Company applied the following judgement that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining method to estimate variable consideration and assessing the constraint.

Certain contracts with customers include Liquidated Damages that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which customer will be entitled. The Company determined that the expected value method is the appropriate method to use in estimating the variable consideration for revenue from contract with customer. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract with the customer. Before adjusting any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

Further details about gratuity obligations are given in note 25.

Useful Life of Property Plant & Equipment and Intangible assets

Property, Plant and Equipment and Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

Fair value measurement for financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 33 and 34 for further disclosures.

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

3. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Leasehold land	Right of Use		Freehold land	Buildings	Plant & Machinery	Furniture & fixture	Vehicles	Office equipment	Total
		Leasehold land	Office Premises							
Cost										
As at 1st April, 2019	27.60	-	-	4,432.19	10,901.85	48,785.66	441.91	1,754.43	581.24	66,924.88
Recognition on initial application of Ind AS 116	-	42.57	64.91	-	-	-	-	-	-	107.48
Transfer on account of impact of Ind AS 116	27.60	-	-	-	-	-	-	-	-	27.60
Additions	-	-	1,102.51	1.70	1,117.92	8,399.96	415.10	534.33	178.15	11,749.67
Disposals	-	-	-	-	-	-	-	65.00	0.62	65.62
As at 31st March, 2020	-	42.57	1,167.42	4,433.89	12,019.77	57,185.62	857.01	2,223.76	758.77	78,688.81
Additions	-	-	-	450.55	7,331.31	34,119.02	56.96	179.20	132.23	42,269.27
Disposals	-	-	-	-	-	49.31	-	228.13	0.54	277.98
As at 31st March, 2021	**-**	**42.57**	**1,167.42**	**4,884.44**	**19,351.08**	**91,255.33**	**913.97**	**2,174.83**	**890.46**	**1,20,680.10**
Depreciation/Amortization and Impairment										
As at 1st April, 2019	1.40	-	-	-	1,548.61	20,398.77	278.43	500.59	264.66	22,992.46
Depreciation/Amortization for the year	-	3.08	87.52	-	442.85	4,908.65	31.35	266.82	98.92	5,839.19
Transfer on account of impact of Ind AS 116	1.40	-	-	-	-	-	-	-	-	1.40
Disposals	-	-	-	-	-	-	-	55.07	0.14	55.21
As at 31st March, 2020	-	3.08	87.52	-	1,991.46	25,307.42	309.78	712.34	363.44	28,775.04
Depreciation/Amortization for the year	-	3.09	138.75	-	494.50	4,561.51	72.59	278.37	124.14	5,672.95
Disposals	-	-	-	-	-	46.76	-	158.08	0.50	205.34
As at 31st March, 2021	**-**	**6.17**	**226.27**	**-**	**2,485.96**	**29,822.17**	**382.37**	**832.63**	**487.08**	**34,242.65**
Net Block										
As at 31st March, 2021	**-**	**36.40**	**941.15**	**4,884.44**	**16,865.12**	**61,433.16**	**531.60**	**1,342.20**	**403.38**	**86,437.45**
As at 31st March, 2020	-	39.49	1,079.90	4,433.89	10,028.31	31,878.20	547.23	1,511.42	395.33	49,913.77

i) Buildings includes ₹ 47.80 Lakhs (31st March, 2020 ₹ 47.80 Lakhs) representing cost of unquoted fully paid shares held in co-operative housing societies.

(b) Intangible Assets

(₹ in Lakhs)

Particulars	Software
Cost	
As at 1st April, 2019	222.78
Additions	19.61
As at 31st March, 2020	242.39
Additions	8.12
As at 31st March, 2021	**250.51**
Amortisation and Impairment	
As at 1st April, 2019	153.19
Amortisation for the year	11.58
As at 31st March, 2020	164.77
Amortisation for the year	12.41
As at 31st March, 2021	**177.18**
Net Block	
As at 31st March, 2021	**73.33**
As at 31st March, 2020	77.62

(c) Capital work-in-progress

(₹ in Lakhs)

Particulars	Amount
As at 31st March, 2021	**7,632.35**
As at 31st March, 2020	37,146.02

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

4. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investments		
Trade Investments (at Cost)		
Investment in unquoted Equity Shares of Subsidiary Company		
10,000 (31st March, 2020-10,000) Equity Shares of USD 1 each fully paid-up in Ratnamani Inc., USA	6.08	6.08
Non-Trade Investments		
Investments in Mutual Funds (Quoted) (at fair value through profit and loss)		
13,947.339 (31st March, 2020: Nil) Units of DSP Mutual Fund Growth	410.21	-
Nil (31st March, 2020: 91,769.397) units of SBI Magnum Ultra Short Duration Fund Direct Growth	-	4,110.94
11,72,813.654 (31st March, 2020: Nil) Units of SBI Magnum Low Duration Fund Direct Growth	32,789.11	-
Nil (31st March, 2020: 2,39,882.461) units of SBI Overnight Fund Direct Growth	-	7,805.10
13,510.265 (31st March, 2020: Nil) units of LIC MF Liquid Fund Direct Growth	504.86	-
43,770.043 (31st March, 2020: Nil) Units of Axis Liquid Fund - Direct Growth - CFDG	1,000.06	-
217,609.654 (31st March, 2020: Nil) Units of SBI Liquid Fund Direct Growth	7,010.53	-
883,617.241 (31st March, 2020: 1,53,434.938) units of Axis Treasury Advantage Fund - Direct Growth - TADG	21,936.54	3,567.60
	63,657.39	**15,489.72**
Current	63,651.31	15,483.64
Non-Current	6.08	6.08
	63,657.39	**15,489.72**
Aggregate value of Unquoted Investments	6.08	6.08
Aggregate book value of Quoted Mutual Funds	63,651.31	15,483.64
	63,657.39	**15,489.72**
Aggregate market value of Quoted Mutual Funds (refer note-33)	63,651.31	15,483.64
Loans (Unsecured, Considered Good)		
Loans to employees	29.98	39.50
	29.98	**39.50**
Current	20.03	26.00
Non-Current	9.95	13.50
	29.98	**39.50**
Other Financial Assets		
Interest accrued	30.30	689.83
Security deposits	438.78	441.53
Margin money with banks	975.00	-
Derivative instruments at fair value through profit or loss		
(Derivatives not designated as hedges)		
Foreign exchange forward contracts	-	19.90
Wind-Mill surplus receivable	86.14	100.63
Gratuity fund (refer note-25)	65.02	-
Others	133.37	-
	1,728.61	**1,251.89**
Current	623.49	1,133.95
Non-Current	1,105.12	117.94
	1,728.61	**1,251.89**

Loans are non-derivative financial assets which generate a fixed interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

Fair value disclosures for financial assets and liabilities (refer note-33.1)

Fair value hierarchy disclosures for investment (refer note-33.2)

For Financial instruments risk management objectives and policies (refer note-34)

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

5. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw materials		
Raw materials and components	30,073.96	43,375.27
Raw materials in transit	337.24	7,612.55
Work-in-progress	12,704.58	27,977.34
Finished goods		
Finished goods	5,622.68	2,391.89
Finished goods in transit	1,579.06	690.76
Stores and spares	3,371.19	3,873.29
	53,688.71	**85,921.10**

6. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured, considered good	5,775.62	6,351.60
Unsecured, considered good	34,481.69	30,666.74
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables - credit impaired	25.66	224.67
Total	**40,282.97**	**37,243.01**
Less:		
Impairment allowance (allowance for bad and doubtful debts)		
Trade receivables - credit impaired	25.66	224.67
Total trade receivables	**40,257.31**	**37,018.34**
Above includes :		
Receivables from related parties, unsecured, considered good (refer note-30)	99.89	50.95

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

Refer note 34 (b) for credit risk evaluation.

Following is the movement of allowance for expected credit losses of trade receivables: (₹ in Lakhs)

Particulars	31st March, 2021	31st March, 2020
As at April 1	224.67	209.65
Provision for expected credit losses	8.97	260.71
Provision for expected credit losses utilised (refer note-24)	(78.12)	(23.78)
Provision for expected credit losses reversed	(129.86)	(221.91)
As at March 31	25.66	224.67

7. CASH AND BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Cash and Cash Equivalents		
Balances with Banks		
In Current accounts	1,881.70	4,443.41
Deposits with original maturity of three months or less	2,200.00	-
Unpaid dividend accounts	151.05	133.08
Cash on hand	19.62	17.29
	4,252.37	**4,593.78**
(b) Other balances with banks		
Deposits with original maturity of more than three months but less than twelve months	1,140.00	12,732.23
	5,392.37	**17,326.01**

Short-term deposits are made for varying periods of between one day to three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

Deposits aggregating to ₹ 2,115.00 Lakhs (31st March, 2020: ₹ 4,998.00 Lakhs) are pledged / lien against bank overdraft facility.

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

8. OTHER ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital advances	424.06	2,323.60
Investment in silver	0.84	0.84
Prepaid expense	315.16	305.74
Advance receivable in cash or kind		
Advance for material	1,033.57	2,437.92
Excise / GST claim receivables	28.09	765.44
Duty entitlement pass book / Import licenses	-	34.60
Balances with Government Authorities	331.25	3,546.93
Export benefits receivable	27.86	31.03
Others	8.50	20.50
	1,429.27	**6,836.42**
	2,169.33	**9,466.60**
Non-Current tax assets (net)	485.79	727.84
	2,655.12	**10,194.44**
Current	1,709.43	7,107.16
Non-Current	945.69	3,087.28
	2,655.12	**10,194.44**

9. SHARE CAPITAL

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. in Lakhs	₹ in Lakhs	No. in Lakhs	₹ in Lakhs
Authorised Share Capital	750.00	1,500.00	750.00	1,500.00
Increase/(decrease) during the year	-	-	-	-
	750.00	**1,500.00**	**750.00**	**1,500.00**

Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 2/- per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividend in Indian ₹. The dividend proposed by the Board of Directors is subject to approval of the Shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by Share holders.

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. in Lakhs	₹ in Lakhs	No. in Lakhs	₹ in Lakhs
Issued Share Capital				
Equity shares of ₹ 2 each issued, subscribed and fully paid	467.28	934.56	467.28	934.56
Increase/(decrease) during the year	-	-	-	-
	467.28	**934.56**	**467.28**	**934.56**

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

Details of Shareholders holding more than 5% Equity Shares in the Company

Name of the Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	% held	No. of Shares	% held
Prakash M. Sanghvi	72,18,385	15.45%	72,18,385	15.45%
Jayanti M. Sanghvi	39,11,025	8.37%	39,11,025	8.37%
Nalanda India Fund Limited	28,50,155	6.10%	28,50,155	6.10%
L&T Mutual Fund Trustee Limited	24,30,447	5.20%	25,78,003	5.52%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares.

10. OTHER EQUITY

(₹ in Lakhs)

Particulars		As at 31st March, 2021	As at 31st March, 2020
a)	**Securities Premium**		
	Opening balance	2,279.06	2,279.06
	Increase/(decrease) during the year	-	-
		2,279.06	**2,279.06**
	Securities premium is used to record the premium on issue of shares. This reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.		
	OTHER RESERVES		
b)	**Capital Reserve**		
	Opening balance	490.04	490.04
	Increase/(decrease) during the year	-	-
		490.04	**490.04**
	Capital reserve is mainly used to record the reserves created on receipt of state/central subsidies and amounts forfeited towards the forfeiture of Equity warrants issued. This reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.		
c)	**Amalgamation Reserve**		
	Opening balance	392.11	392.11
	Increase/(decrease) during the year	-	-
		392.11	**392.11**
	Amalgamation reserve is used to record the reserves created on amalgamation of Ratnamani Engineering Ltd. and Ratnamani Fine Tubes Pvt. Ltd. This reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.		
d)	**General Reserve**		
	Opening balance	72,625.16	72,625.16
	Increase/(decrease) during the year	-	-
		72,625.16	**72,625.16**
	Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.		

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

(₹ in Lakhs)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
	Other Comprehensive Income		
e)	**Cash flow hedge reserve**		
	Opening balance	(600.74)	(475.43)
	Net movement during the year	94.05	(125.31)
		(506.69)	**(600.74)**
	The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts, currency swaps, and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss.		
f)	**Retained Earnings**		
	Opening balance	94,694.09	75,941.82
	Profit for the year	27,589.98	30,749.68
	Other Comprehensive Income		
	Re-measurement gain on defined benefit plans (net of tax)	148.82	(167.46)
	Dividend paid	-	(9,812.88)
	Dividend Distribution Tax	-	(2,017.07)
		1,22,432.89	**94,694.09**
	Total Other Equity (a+b+c+d+e+f)	**1,97,712.57**	**1,69,879.72**

(₹ in Lakhs)

Distribution made and proposed	As at 31st March, 2021	As at 31st March, 2020
Cash dividend on equity shares declared and paid		
Final Dividend for the year ended 31st March, 2020: ₹ Nil per share (for the year ended 31st March, 2019: ₹ 9.00 per share)	-	4,205.52
Dividend distribution tax	-	864.46
	-	**5,069.98**
Interim dividend for the year ended 31st March, 2021: ` Nil per share (for the year ended 31st March, 2020: ₹ 12.00 per share)	-	5,607.36
Dividend distribution tax	-	1,152.61
	-	**6,759.97**
Proposed dividend on equity shares		
Final Dividend for the year ended 31st March, 2021: ₹ 14.00 per share (for the year ended 31st March, 2020: ₹ Nil per share)	6,541.92	-
	6,541.92	**-**
	6,541.92	**11,829.95**

Proposed dividends on equity shares are subject to approval at the ensuing Annual General Meeting and are not recognised as a liability as at March 31.

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

11. BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Long term Borrowing (refer note-a)		
External (Foreign) Commercial Borrowings (Secured)	12,452.16	15,717.96
Less:- Current maturity grouped as other current financial liability (refer note 14)	3,831.43	2,947.12
	8,620.73	**12,770.84**
Term Loan (Secured)	7,187.50	5,000.00
Less:- Current maturity grouped as other current financial liability (refer note 14)	1,250.00	208.33
	5,937.50	**4,791.67**
	14,558.23	**17,562.51**
Short term Borrowings		
Cash Credit/Export Packing Credit facilities (Secured)(refer note-b)	79.61	-
Bank Overdrafts (Secured) (refer note-c)	-	4,435.65
	79.61	**4,435.65**
Total Borrowings	**14,637.84**	**21,998.16**
Current	79.61	4,435.65
Non-Current	14,558.23	17,562.51
	14,637.84	**21,998.16**

a) Long Term Borrowings are secured by - i) a first pari passu charge on entire manufacturing movable fixed assets; ii) a first pari passu mortgage and charge on immovable properties situated at Indrad, Kadi and Anjar, Kutch all in the State of Gujarat; iii) a second pari passu charge on entire current assets in the form of inventories, book-debts and all other movable assets.

External (Foreign) Commercial Borrowing of ₹ 12,452.16 Lakhs (31st March, 2020 ₹ 15,717.96) carry interest @ 3M Libor plus 100 basis point. The loan is repayable in 16 quarterly instalments between 29th July, 2020 till 29th April, 2024.

Term Loan of ₹ 7,187.50 Lakhs (31st March, 2020 ₹ 5,000.00) carry interest @ 3M MCLR plus 15 basis point. The loan is repayable in 24 equal quarterly instalments between 31st March, 2021 till 31st December, 2026.

b) Short term Borrowings are secured by - i) a first pari passu charge on entire current assets in the form of inventories, book-debts, all other movable assets; ii) a second pari passu charge on entire manufacturing movables fixed assets; iii) a second pari passu mortgage and charge on immovable properties situate at Indrad, Kadi and Anjar, Kutch all in the State of Gujarat; iv) a Negative Lien on the agricultural lands, pending conversion to the non-agriculture status; v) a Negative Lien on leasehold interest on the immovable properties situate at GIDC Estate Chhatral, Taluka Kalol, District Gandhinagar.

Short term Borrowings from banks carries interest in the range of 0 to 12 month MCLR plus 25 to 50 basis point.

c) The bank overdrafts are secured by a portion of the Company's term deposits which carry interest at 5.00 % p.a (31st March, 2020: 7.95% to 8.45%). The borrowings are payable on demand.

d) At 31st March 2021, the Company has available fund based working capital limits from consortium banks and term loan aggregating to ₹ 22,320.39 Lakhs (31st March, 2020: ₹ 24,900.00 Lakhs) of undrawn committed borrowing facilities.

12. INCOME TAX

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
The major component of income tax expense for the years ended 31st March, 2021 and 31st March, 2020 are :		
Statement of Profit and Loss		
Current tax		
Current income tax	8,518.89	10,498.30
Excess provision for current tax of earlier years	(605.41)	(41.59)
Deferred tax		
Deferred tax expense	834.14	(576.17)
Income tax expense reported in the Statement of Profit and Loss	**8,747.62**	**9,880.54**
OCI Section		
Other comprehensive income (OCI)		
Tax related to items recognised in OCI during the year		
Re-measurement gain/(loss) on defined benefit plans	(50.05)	56.32
Net movement in cash flow hedge reserve	(31.63)	(53.33)
Tax credited to OCI	**(81.68)**	**2.99**

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

a) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended 31st March, 2021 and 31st March, 2020:

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Accounting Profit before tax	36,337.60	40,630.22
Enacted income tax rate in India applicable to the Company	25.168%	25.168%
Tax using the Company's domestic tax rate	9,145.45	10,225.81
Tax effects of :		
Exempt Income	-	(1.35)
Non-deductible expenses	206.28	176.76
Excess provision for current tax of earlier years	(605.41)	(41.59)
Others	1.31	(479.09)
At the effective income tax rate of 31st March, 2021: 24.07% (31st March, 2020: 24.32%)	**8,747.62**	**9,880.54**

b) Movement in deferred tax liabilities (net) for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Opening Balance as at 1st April, 2020	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2021
Tax effect of items constituting deferred tax liabilities:				
Accelerated depreciation for tax purposes	3,590.91	448.94	-	4,039.85
Accrued Income taxable on realisation	96.55	238.14	-	334.69
	3,687.46	**687.08**	**-**	**4,374.54**
Tax effect of items constituting deferred tax assets:				
Expenses allowed in year of payment	(417.20)	147.06	-	(270.14)
Revaluation of cash flow hedges	(202.04)	-	31.63	(170.41)
	(619.24)	**147.06**	**31.63**	**(440.55)**
Net deferred tax liabilities	**3,068.22**	**834.14**	**31.63**	**3,933.99**

Movement in deferred tax liabilities (net) for the year ended 31st March, 2020

(₹ in Lakhs)

Particulars	Opening Balance as at 1st April, 2019	Recognised in consolidated profit and loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2020
Tax effect of items constituting deferred tax liabilities :				
Accelerated depreciation for tax purposes	4,177.76	(586.85)	-	3,590.91
Accrued Income taxable on realisation	-	96.55	-	96.55
	4,177.76	**(490.30)**	**-**	**3,687.46**
Tax effect of items constituting deferred tax assets :				
Expenses allowed in year of payment	(327.22)	(89.98)	-	(417.20)
Revaluation of cash flow hedges	(255.37)	-	53.33	(202.04)
Other adjustments	(4.11)	4.11	-	-
	(586.70)	**(85.87)**	**53.33**	**(619.24)**
Net deferred tax liabilities	**3,591.06**	**(576.17)**	**53.33**	**3,068.22**

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

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

During the year ended 31st March, 2020, the Company has paid dividend to its shareholders. This has resulted in payment of dividend distribution tax (DDT) to the taxation authorities. The Company believes that dividend distribution tax represents additional payment to taxation authority on behalf of the shareholders. Hence, dividend distribution tax paid is charged to equity.

13. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of micro enterprises and small enterprises	900.59	619.39
Total outstanding dues of creditors other than micro enterprises and small enterprises	23,350.43	25,802.60
	24,251.02	**26,421.99**
Above includes:		
Payable to related parties (refer note 30)	3,206.18	3,164.85

The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development (MSMED) as at 31st March 2021. The disclosure pursuant to the said Act is as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
i) Amounts remaining unpaid as at year end towards		
Principal	900.59	619.39
Interest	98.76	37.56
ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	98.76	37.56
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

14. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Financial liabilities at fair value through OCI		
Cash flow hedges		
Currency and interest rate swaps	399.06	68.36
Financial liabilities at fair value through profit or loss		
(Derivatives not designated as hedges)		
Foreign exchange forward contracts	22.60	-
Other financial liabilities at amortised cost		
Current maturity of Long Term Borrowings (refer note 11)	5,081.43	3,155.45
Interest accrued but not due	230.32	233.58
Payables in respect of capital goods	3,446.69	5,568.11
Unpaid dividend #	151.05	133.08
Lease liabilities	1,008.98	1,091.36
Other miscellaneous liabilities	1,414.66	263.49
	11,754.79	**10,513.43**
Current	10,024.40	9,436.09
Non-Current	1,730.39	1,077.34
	11,754.79	**10,513.43**

not due for credit to "Investors Education and Protection Fund"

Fair value disclosures for financial liabilities (refer note 33.1)

15. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Contract liability (Advance from customers)	4,311.36	16,518.00
Statutory dues payable	1,069.42	805.05
Other miscellaneous liabilities	559.62	3,642.75
	5,940.40	**20,965.80**

16. PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits		
Compensated absences	220.63	289.48
Gratuity (refer note-25)	-	277.93
	220.63	**567.41**
Current	220.63	567.41
Non-Current	-	-
	220.63	**567.41**

17. CURRENT TAX LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Income tax (net of advance tax)	2,166.82	29.12
	2,166.82	**29.12**

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

18 REVENUE FROM CONTRACTS WITH CUSTOMERS

18.1 Disaggregated revenue information

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Set out below is the disaggregation of the Company's revenue from contracts with customers:		
Type of goods or service		
Sale of Steel Tubes and Pipes	2,27,087.39	2,52,216.91
Sale of Power generated from Windmills	453.28	643.51
Sale of services	1,396.57	2,677.84
Revenue from contracts with customers	**2,28,937.24**	**2,55,538.26**
Other operating revenue	875.91	3,029.34
Total revenue from operations	**2,29,813.15**	**2,58,567.60**
Sales of Steel Tubes and Pipes		
In India	1,71,408.33	2,01,464.42
Outside India	55,679.06	50,752.49
	2,27,087.39	**2,52,216.91**
Sale of Power generated from Windmills		
In India	453.28	643.51
Sale of Services		
In India	1,396.57	2,677.84
Total Revenue from contracts with customers	**2,28,937.24**	**2,55,538.26**
Timing of revenue recognition		
Goods and services transferred at a point in time	2,28,937.24	2,55,538.26
Total Revenue from contracts with customers	**2,28,937.24**	**2,55,538.26**

18.2 Contract balances

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade receivables	40,257.31	37,018.34
Contract liabilities (Advance from customers)	4,311.36	16,518.00

In March 2021, ₹ 8.97 Lakhs (March 2020: ₹ 21.88 Lakhs) was recognised as provision for expected credit losses on trade receivables.

Contract liabilities (Advance from customers) include short-term advances received from customers against supply of Steel Tubes & Pipes. The outstanding balances of these accounts decreased in 2020-21 due to performance obligations satisfied in the year 2020-21.

Set out below is the amount of revenue recognised from :-

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Amounts included in Contract liabilities (Advance from customers) at the beginning of the year	16,272.25	7,113.74

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

18.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Revenue as per contracted price (net of taxes)	2,27,062.87	2,59,119.26
Adjustments :-		
Provision for late deliveries, sales return etc.	1,874.37	(3,834.65)
Revenue from contract with customers	2,28,937.24	2,55,284.61

18.4 Performance obligation

Information about the Company's performance obligations are summarised below:

Steel tubes and pipes

The performance obligation is satisfied upon delivery of the goods and control thereof is assumed by the customers and payment gets due as contractually agreed, generally ranging within 0 to 180 days from delivery, backed up by financials arrangements in certain cases.

Power generated from windmills

The performance obligation from windmills is recognised on unit generation basis, in accordance with the terms of power purchase agreements.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2021 are as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Within one year	99,615.60	1,37,315.68
More than one year	883.32	1,297.24
	1,00,498.92	**1,38,612.92**

19. OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest income on		
Bank deposits	190.07	922.06
Others	309.79	511.38
Other non-operating income		
Fair value gain on financial instruments at fair value through profit and loss	2,289.35	1,193.81
Profit on Sale/Discard of property, plant and equipment (net)	16.39	1.81
Excess Provision for doubtful debts written back	120.89	-
Excess provision/liabilities no longer payable written back	50.53	446.28
Dividend income on current investments	-	5.36
Foreign exchange fluctuation (net)	1,302.87	2,823.93
Miscellaneous income	60.86	25.36
	4,340.75	**5,929.99**

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

20. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Opening inventory	50,987.82	29,951.57
Add: Purchases	1,15,407.82	1,96,054.22
	1,66,395.64	**2,26,005.79**
Less: Closing inventory	30,411.20	50,987.82
Cost of raw materials and components consumed	**1,35,984.44**	**1,75,017.97**

21. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Inventories at the end of the year		
Work in process	12,704.58	27,977.34
Finished goods	7,201.74	3,082.65
	19,906.32	**31,059.99**
Inventories at the beginning of the year		
Work in process	27,977.34	19,903.94
Finished goods	3,082.65	5,768.72
	31,059.99	**25,672.66**
(Increase)/Decrease In Inventory		
Work in process	15,272.76	(8,073.40)
Finished goods	(4,119.09)	2,686.07
	11,153.67	**(5,387.33)**

22. EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries, wages and bonus	12,366.49	12,692.48
Contribution to provident and other funds (refer note-25)	719.53	670.89
Gratuity expense (refer note-25)	231.98	188.55
Staff welfare expenses	765.35	929.26
	14,083.35	**14,481.18**

23. FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest on debts and borrowings	1,748.91	1,445.94
Interest on income tax	114.82	23.21
Interest on lease liabilities	89.08	57.83
Interest others	64.15	34.73
Bank charges	273.06	534.56
	2,290.02	**2,096.27**

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

24. OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of stores & spares	6,609.53	7,456.89
Freight & transport charges	8,267.29	10,171.53
Power & fuel	4,277.62	3,987.51
Labour & processing charges	3,346.34	3,613.23
Repairs and maintenance:		
Plant and machineries	776.78	775.10
Buildings	312.87	125.40
Others	64.45	62.21
Testing and inspection charges	105.18	224.09
Legal & consultancy charges	546.54	886.50
Traveling & conveyance expenses	326.77	567.66
Insurance	589.30	485.49
Expense relating to short-term leases (refer note-26 a)	237.61	250.86
Rates & taxes	128.92	305.17
Joint auditors' remuneration (refer note-a)	45.79	45.55
Advertisement & other expenses	155.38	188.28
Sales commission	300.57	345.36
Provision for doubtful debts/Expected credit loss for trade receivables	-	38.80
Bad debts written off	78.12	23.78
Provision for doubtful debts utilised	(78.12)	(23.78)
Charity and donations	150.00	201.86
CSR expenses (refer note-b)	669.62	488.34
Directors' sitting fees	18.40	20.80
Miscellaneous expenses	1,690.50	1,567.88
	28,619.46	**31,808.51**
a) Payments to Joint Auditors		
As Auditor:		
Audit Fee	26.45	27.45
Limited Review	15.00	13.50
	41.45	**40.95**
In other capacity:		
Certification	3.34	1.83
Reimbursement of expenses	1.00	2.77
	4.34	**4.60**
	45.79	**45.55**

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
b) Other expenses include ₹ 669.62 Lakhs (P.Y. ₹ 488.34 Lakhs), spent towards various activities relating to Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013, details of which are as under:		
Details of Corporate Social Responsibility :-		
1. Gross amount required to be spent during the year	669.62	532.78
2. Amount approved by the board to be spent during the year	669.62	532.78
3. Amount spent during the year:		
i) Construction/acquisition of any asset		
In Cash	221.00	160.00
Yet to be paid in cash	341.19	-
Total	**562.19**	**160.00**
ii) On purposes other than (i) above		
In Cash	107.43	328.34
Yet to be paid in cash	-	-
Total	**107.43**	**328.34**
4. Amount related to spent/unspent obligation:		
i) Contribution to Trust	221.00	160.00
ii) Others	107.43	328.34
iii) Unspent amount in relation to :		
- Ongoing project	341.19	-
- Other than Ongoing project	-	-
	669.62	**488.34**

Details of ongoing project

In case of S. 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A\c		From company's bank A/c	From Separate CSR Unspent A\c	With Company	In Separate CSR Unspent A\c*
-	-	669.62	328.43	-	-	341.19

*deposited subsequent to year end.

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

25. EMPLOYEE BENEFITS EXPENSES

A. Defined contribution plans:

Amount of ₹ 719.53 Lakhs (31st March, 2020: ₹ 670.89 Lakhs) is recognised as expenses and included in note no. 22 "Employee benefits expense"

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Provident fund	317.79	304.37
Contributory pension scheme	285.26	278.39
Superannuation fund	115.95	87.59
Gujarat labour welfare fund	0.53	0.54
	719.53	**670.89**

B. Defined benefit plans:

The Company operates gratuity plan in the nature of defined benefit plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The gratuity plan is governed by the payment of Gratuity Act,1972. The Company's gratuity plan is funded with Life Insurance Corporation of India and HDFC life.

31st March, 2020: Changes in defined benefit obligation and plan assets (₹ in Lakhs)

	01st April, 2020	Cost charged to Statement of Profit and Loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income				Contributions by employer	31st March, 2021
		Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (note 22)		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity											
Defined benefit obligation	3,194.00	212.97	218.47	431.44	(102.18)	-	(25.31)	(161.60)	(186.91)	-	3,336.35
Fair value of plan assets	2,916.07	-	199.46	199.46	(4.05)	(11.96)	-	-	(11.96)	277.93	3,401.37
Benefit liability	277.93	212.97	19.01	231.98	-	11.96	(25.31)	(161.60)	(198.87)	(277.93)	(65.02)
Total benefit liability / (plan asset)	**277.93**	**212.97**	**19.01**	**231.98**	**-**	**11.96**	**(25.31)**	**(161.60)**	**(198.87)**	**(277.93)**	**(65.02)**

31st March, 2020: Changes in defined benefit obligation and plan assets (₹ in Lakhs)

	1st April, 2019	Cost charged to Statement of Profit and Loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income				Contributions by employer	31st March, 2020
		Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (note 22)		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity											
Defined benefit obligation	2,713.92	171.70	211.41	383.11	(134.41)	-	241.50	(10.12)	231.38	-	3,194.00
Fair value of plan assets	2,497.52	-	194.56	194.56	-	(7.60)	-	-	(7.60)	216.39	2,916.07
Benefit liability	216.40	171.70	16.85	188.55	-	7.60	241.50	(10.12)	223.78	(216.39)	277.93
Total benefit liability	**216.40**	**171.70**	**16.85**	**188.55**	**-**	**7.60**	**241.50**	**(10.12)**	**223.78**	**(216.39)**	**277.93**

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Insurance funds	3,401.37	2,916.07
(%) of total plan assets	100%	100%

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Discount rate	6.93%	6.84%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	6.93%	6.84%
Employee turnover rate	2.00%	2.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity (increase) / decrease in defined benefit obligation (Impact)

(₹ in Lakhs)

Particulars	Sensitivity level	As at 31st March, 2021	As at 31st March, 2020
Discount rate	1% increase	(257.59)	(253.20)
	1% decrease	303.95	299.44
Salary increase	1% increase	297.68	292.99
	1% decrease	(257.43)	(252.85)
Employee turnover	1% increase	(25.20)	(26.88)
	1% decrease	28.54	30.52

The followings are the expected future benefit payments for the defined benefit plan :

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Within the next 12 months (next annual reporting period)	671.64	658.34
Between 2 and 5 years	864.80	844.76
Beyond 5 years	5,697.20	5,476.26
Total expected payments	**7,233.64**	**6,979.36**

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at 31st March, 2021 Years	As at 31st March, 2020 Years
Gratuity	17	17

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

The followings are the expected contributions to planned assets for the next year:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Gratuity	147.40	357.67

26. COMMITMENTS AND CONTINGENCIES

a) Leases :-

Operating lease commitments — Company as lessee

The Company has entered into lease contracts for office premises, land, guest house and other properties on lease, with lease terms between one to nine years. Generally, the Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Company also has certain leases of office premises, land and other properties with lease terms of 12 months or less with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year.

(₹ in Lakhs)

Particulars	Leasehold land	Office premises	Total
Additions on account of adoption of Ind AS 116 (On 1st April, 2020)	42.57	64.91	107.48
Additions during the year	-	1,102.51	1,102.51
Depreciation and Amortisation Expenses	3.08	87.52	90.60
As at 31st March, 2020	**39.49**	**1,079.90**	**1,119.39**
Additions during the year	-	-	-
Depreciation and Amortisation Expenses	3.09	138.75	141.84
As at 31st March, 2021	**36.40**	**941.15**	**977.55**

Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

(₹ in Lakhs)

Particulars	2020-21	2019-20
As at 1st April	1,091.36	81.28
Additions	-	1,060.65
Finance Costs incurred during the year	89.08	57.83
Payments of lease liabilities	(171.46)	(108.40)
As at 31st March	1,008.98	1,091.36
Current	90.59	82.38
Non-current	918.39	1,008.98

The effective interest rate for lease liabilities is 8.45 %, with maturity between 2021-2026.

The following are the amounts recognised in profit or loss:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation and Amortisation Expenses	141.84	90.60
Interest expense on lease liabilities	89.08	57.83
Expense relating to short-term leases	237.61	250.86
Total amount recognised in statement of profit or loss	**468.53**	**399.29**

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

The Company had total cash outflows for leases of ₹ 171.46 Lakhs (31st March, 2020 ₹ 108.40 Lakhs). The Company also had non-cash additions to right-of-use assets of ₹ Nil Lakhs (31st March, 2020 ₹ 1,209.99 Lakhs) and lease liabilities of ₹ Nil Lakhs (31st March, 2020 ₹ 1,141.93 Lakhs).

b) Contingent Liabilities :-

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
a)	ESI liability (excluding interest leviable, if any)	444.32	424.79
b)	Disputed statutory claims/levies for which the Company has preferred appeal in respect of (excluding interest leviable, if any): Excise/Custom duty (note-i)	494.91	282.13

Note - (i) Excise/Custom duty demand comprise various demands from the Excise/Custom Authorities for payment of ₹ 494.91 Lakhs (31st March, 2020 ₹ 282.13 Lakhs). The Company has filed appeals against these demands. The Company is confident that the demands are likely to be deleted and accordingly no provision for liability has been recognized in the financial statements.

c) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 3,246.68 Lakhs (31st March, 2020 ₹ 8,421.38 Lakhs).

27. The Company has incurred premium expenses of ₹ 171.62 Lakhs (31st March, 2020 ₹ 129.63 Lakhs) on Key Man Insurance Policy and term plan policy of Chairman and Managing Director, Joint Managing Director and Whole-Time Director, which is included in insurance expenses.

28. During the year ended 31st March, 2021 ₹ 527.54 Lakhs (March 31, 2020 ₹ 903.78 Lakhs) was recognised as an expense for inventories carried at net realisable value.

29. SEGMENT INFORMATION

The Company is engaged in manufacturing of Steel Tubes and Pipes. Considering the nature of Company's business and operations, as well as based on reviews of operating results by the chief operating decision makers to make decisions about resource allocation and performance measurement, the Company has identified "Steel Tubes and Pipes" as only reportable segment in accordance with the requirements of 'Ind AS 108 - Operating Segments'.

Secondary Reportable Segment (Geographical by Customers)

(₹ in Lakhs)

Particulars	In India	Outside India	Total
Segment Revenue			
Year ended 31st March, 2021	**1,74,134.09**	**55,679.06**	**2,29,813.15**
Year ended 31st March, 2020	(2,07,815.11)	(50,752.49)	(2,58,567.60)
Segment Assets			
As at 31st March, 2021	**2,57,868.51**	**3,684.11**	**2,61,552.62**
As at 31st March, 2020	(2,48,063.05)	(6,315.36)	(2,54,378.41)

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

30. RELATED PARTY DISCLOSURES

As required by Indian Accounting Standard - 24 "Related Parties Disclosures" the disclosure of transactions with related parties are given below :

A Relationships

(a) Wholly Owned Foreign Subsidiary Company

Ratnamani INC, USA

(b) Key Management Personnel

Mr. Prakash M. Sanghvi	–	Chairman and Managing Director
Mr. Jayanti M. Sanghvi	–	Joint Managing Director
Mr. Shanti M. Sanghvi	–	Whole-time Director
Mr. Divyabhash C. Anjaria	–	Director
Mr. Pravinchandra M. Mehta	–	Director
Dr. Vinod M. Agrawal	–	Director
Smt. Nidhi G. Gadhecha	–	Director
Mr. Vimal Katta	–	Chief Financial Officer
Mr. Jigar Shah	–	Company Secretary (Up to December 31, 2020)
Mr. Anil Maloo	–	Company Secretary (With effect from January 01, 2021)

(c) Relatives of key management personnel

Mr. Manoj P. Sanghvi (Son of Mr. Prakash M. Sanghvi)

Mr. Prashant J. Sanghvi (Son of Mr. Jayanti M. Sanghvi)

Mr. Nilesh P. Sanghvi (Son of Mr. Prakash M. Sanghvi)

Mr. Jigar P. Sanghvi (Son of Mr. Prakash M. Sanghvi)

Mr. Yash S. Sanghvi (Son of Mr. Shanti M. Sanghvi)

(d) Enterprises owned or significantly influenced by key management personnel or their relatives

Ratnamani Food Products Private Limited

Ratnamani Marketing Private Limited

Comfit Valves Private Limited

Ratnamani Techno Casts Private Limited

Shree Mahavir Education Trust

Ratnaflex Engineering Private Limited

Laxmiraj Distributors Private Ltd.

Ratanakar Wire Private Ltd.

Aerolam Decorative LLP

Metal Udyog (India)

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

B The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Rent Expense		
- Ratnamani Food Products Private Limited	1.25	19.16
- Ratnamani Marketing Private Limited	-	22.24
Marketing support charges paid		
- Ratnamani INC., USA	109.24	89.57
Purchases of goods		
- Ratnaflex Engineering Private Limited	-	6.86
- Laxmiraj Distributors Private Ltd.	-	56.84
- Ratanakar Wire Private Ltd.	6.02	4.34
- Aerolam Decorative LLP	-	0.51
- Metal Udyog (India)	0.57	-
Sales		
- Comfit Valves Private Limited	8.41	8.57
- Ratnamani Techno Casts Private Limited	200.26	246.62
- Ratnaflex Engineering Private Limited	58.11	30.27
- Ratanakar Wire Private Ltd.	-	6.42
Donation		
Shree Mahavir Education Trust	221.00	160.00
Remuneration to Key Management Personnel and their relatives (excluding commission and sitting fees) (refer note (a) below)	1,017.26	955.49
Commission		
- Mr. Prakash M. Sanghvi	1,350.00	1,550.00
- Mr. Jayanti M. Sanghvi	810.00	930.00
- Mr. Shanti M. Sanghvi	540.00	620.00
Sitting Fees		
- Mr. Divyabhash C. Anjaria	5.60	6.00
- Dr. Vinod M. Agrawal	5.20	5.60
- Mr. Pravinchandra M. Mehta	4.00	4.80
- Smt. Nidhi G. Gadhecha	3.60	4.40

Outstanding as at year end	As at 31st March, 2021	As at 31st March, 2020
Receivable		
- Comfit Valves Private Limited	1.24	-
- Ratnamani Techno Casts Private Limited	45.29	43.07
- Ratnaflex Engineering Private Limited	53.36	7.88
Payable		
- Ratnamani INC., USA	26.91	34.01
- Ratanakar Wire Private Ltd.	0.34	0.63
- Aerolam Decorative LLP	-	0.24
- Mr. Prakash M. Sanghvi	1,580.45	1,556.70
- Mr. Jayanti M. Sanghvi	949.76	935.26
- Mr. Shanti M. Sanghvi	634.16	624.86
- Mr. Manoj P. Sanghvi	3.21	2.66
- Mr. Prashant J. Sanghvi	2.78	2.28
- Mr. Nilesh P. Sanghvi	2.25	2.05
- Mr. Jigar P. Sanghvi	1.41	1.26
- Mr. Yash S. Sanghvi	0.89	0.84
- Mr. Vimal Katta	3.10	3.20
- Mr. Anil Maloo	0.92	-
- Mr. Jigar Shah	-	0.86

Note (a) : The remuneration to the key managerial personnel does not include the provisions made for gratuity, as it is determined on an actuarial basis for the company as a whole.

Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March, 2021 and 31st March, 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

31. EARNINGS PER SHARE (EPS)

Particulars		Year ended 31st March, 2021	Year ended 31st March, 2020
Profit for the year	(₹ in Lakhs)	27,589.98	30,749.68
Weighted average no. of shares for EPS computation			
for basic and diluted EPS	(Nos. in Lakhs)	467.28	467.28
Earnings per share (basic and diluted)	(₹)	59.04	65.81
Nominal value of shares	(₹)	2.00	2.00

32. HEDGING ACTIVITIES AND DERIVATIVES

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk. Following are the Derivative instruments at year end not designated as hedging instrument:

(₹ in Lakhs)

Sr. No.	Particulars	31st March, 2021 Amount (₹ in Lakhs)	31st March, 2021 Foreign Currency (in Lakhs)	31st March, 2020 Amount (₹ in Lakhs)	31st March, 2020 Foreign Currency (in Lakhs)	Purpose
1	Forward Contracts (USD Purchase)	8,550.69	USD 115.55	466.09	USD 6.38	Hedging of foreign currency purchase
2	Forward Contracts (EURO Sale)	665.60	EURO 7.27	-	-	Hedging of foreign currency sale

Derivatives designated as hedging instruments

Cash flow hedges

Foreign currency risk:

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedging against principal and interest repayment of external commercial borrowings. The foreign exchange forward contract balances vary with the level of expected foreign currency fluctuations and changes in foreign exchange forward rates.

The Company is holding the following foreign exchange Contracts designated as cash flow hedges:

Sr. No.	Particulars	Maturity Notional Amount (USD in Lakhs)				Purpose
		2021-22	2022-23	2023-24	2024-25	
1	Currency and interest rate swaps	52.13	52.13	52.13	13.02	Hedging of principal and interest repayment of external commercial borrowings.

The impact of the hedging instruments on the balance sheet is as follows:

Sr. No.	Particulars	31st March, 2021 Notional Amount (in Lakhs)	31st March, 2021 Carrying Amount (₹ in Lakhs)	31st March, 2020 Notional Amount (in Lakhs)	31st March, 2020 Carrying Amount (₹ in Lakhs)	Line item in the balance sheet
1	Currency and interest rate swaps	USD 169.41	399.06	USD 208.50	68.36	Other financial Liabilities

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

The impact of the hedging instruments on the statement of profit and loss for the Year Ended 31st March, 2021 is as follows:

Sr. No.	Particulars	Total hedging gain/ (loss) recognised in OCI (in Lakhs)	Ineffectiveness recognised in profit or loss	Cost of hedging recognise in OCI	Amount reclassified from OCI to profit or loss
1	Currency and interest rate swaps	399.06	-	-	-

The impact of the hedging instruments on the statement of profit and loss for the Year Ended 31st March, 2020 is as follows:

Sr. No.	Particulars	Total hedging gain/ (loss) recognised in OCI (in Lakhs)	Ineffectiveness recognised in profit or loss	Cost of hedging recognise in OCI	Amount reclassified from OCI to profit or loss
1	Currency and interest rate swaps	68.36	-	-	-

33. FINANCIAL INSTRUMENTS, FAIR VALUE MEASUREMENTS, FINANCIAL RISK AND CAPITAL MANAGEMENT

33.1 Category-wise Classification of Financial Instruments:

(₹ in Lakhs)

Particulars	Refer Note	As at 31st March, 2021			
		Fair Value through OCI	Fair Value through profit or loss	Amortised cost	Carrying Value
Financial assets					
Investments in unquoted equity shares of subsidiary company	4	-	-	6.08	6.08
Investments in quoted mutual funds	4	-	63,651.31	-	63,651.31
Trade receivables	6	-	-	40,257.31	40,257.31
Cash and cash equivalents	7(a)	-	-	4,252.37	4,252.37
Other balances with banks	7(b)	-	-	2,115.00	2,115.00
Loans	4	-	-	29.98	29.98
Other financial assets	4	-	-	753.61	753.61
Total		**-**	**63,651.31**	**47,414.35**	**1,11,065.66**
Financial liabilities					
Borrowings	11	-	-	19,719.27	19,719.27
Trade payables	13	-	-	24,251.02	24,251.02
Derivatives	14	399.06	22.60	-	421.66
Lease liabilities	14	-	-	1,008.98	1,008.98
Other financial liabilities	14	-	-	5,242.72	5,242.72
Total		**399.06**	**22.60**	**50,221.99**	**50,643.65**

(₹ in Lakhs)

Particulars	Refer Note	As at 31st March, 2020			
		Fair Value through OCI	Fair Value through profit or loss	Amortised cost	Carrying Value
Financial assets					
Investments in unquoted equity shares of subsidiary company	4	-	-	6.08	6.08
Investments in quoted mutual funds	4	-	15,483.64	-	15,483.64
Trade receivables	6	-	-	37,018.34	37,018.34
Cash and cash equivalents	7(a)	-	-	4,593.78	4,593.78
Other balances with banks	7(b)	-	-	12,732.23	12,732.23
Loans	4	-	-	39.50	39.50
Other financial assets	4	-	19.90	1,231.99	1,251.89
Total		**-**	**15,503.54**	**55,621.92**	**71,125.46**
Financial liabilities					
Borrowings	11	-	-	25,153.61	25,153.61
Trade payables	13	-	-	26,421.99	26,421.99
Derivatives	14	68.36	-	-	68.36
Lease liabilities	14	-	-	1,091.36	1,091.36
Other financial liabilities	14	-	-	6,198.26	6,198.26
Total		**68.36**	**-**	**58,865.22**	**58,933.58**

33.2 Category-wise Classification of Financial Instruments:

The financial instruments are categorised in to three levels, based on the inputs used to arrive at fair value measurement as described bellow:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Inputs based on unobservable market data.

Valuation Methodology

Financial instruments are initially recognised and subsequently re-measured at fair value as described below :

The fair value of investment in quoted Mutual Funds is measured at quoted price/ NAV.

The derivatives are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

(a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

(₹ in Lakhs)

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	Quoted price in active markets (Level 1)	Significant observable Inputs (Level 2)	Total	Quoted price in active markets (Level 1)	Significant observable Inputs (Level 2)	Total
Financial Assets						
Investments in quoted mutual funds (measured at FVTPL)	63,651.31	-	63,651.31	15,483.64	-	15,483.64
Financial Liabilities						
Foreign exchange forward contracts USD (measured at FVTPL)	-	8,550.69	8,550.69	-	466.09	466.09
Foreign exchange forward contracts EURO (measured at FVTPL)	-	665.60	665.60	-	-	-
Foreign exchange USD (measured at FVTOCI) - foreign currency and interest rate swap	-	12,452.16	12,452.16	-	15,717.96	15,717.96

There have been no transfers between Level 1 and Level 2 during the period. There are no instruments covered under Level 3.

(b) Financial Instruments measured at Amortised Cost

The management assessed that cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables, bank overdrafts, investments and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

34. FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include investments, loans given, trade and other receivables and cash & term deposits that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency exposures and interest rate swaps to hedge certain variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading / speculative instruments.

The Company's risk management is carried out by the corporate finance under policies approved by the Board of directors. The corporate finance identifies, evaluates and hedges financial risks in close co-operation with the Company's Business Heads. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

The corporate finance function reports quarterly to the Company's Audit committee, that monitors risks and policies framed to mitigate risk exposures.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables and derivative financial instruments.

The potential economic impact, due to these assumptions and current situation, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of Profit and Loss may differ materially from these estimates due to actual developments in the global financial markets.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates and period of borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowing. In certain cases company enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit and equity for the year ended 31st March, 2021 would (decrease)/increase by ₹ 33.35 Lakhs (31st March, 2020: ₹ 2.82 Lakhs). This is mainly attributable to variable interest rates on long term borrowings.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the recognised underlying assets/liabilities and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

The carrying amounts of the Company's unhedged foreign currency denominated monetary items are as follows:

(₹ in Lakhs)

Currency	Liabilities		Assets	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
USD	15,953.40	14,053.05	5,152.12	9,974.19
EURO	2,910.66	2,423.99	792.70	946.31
JPY	-	1.15	-	-

The above table represents total exposure of the Company towards foreign exchange denominated assets and liabilities. The details of exposures hedged using forward exchange contracts are given as a part of note 32.

The Company is mainly exposed to changes in USD and EURO. The below table demonstrates the sensitivity to a 1% increase or decrease in the USD and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

(₹ in Lakhs)

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a) USD Sensitivity				
RUPEES / USD – Increase by 1%	108.07	40.78	108.07	40.78
RUPEES / USD – Decrease by 1%	(108.07)	(40.78)	(108.07)	(40.78)
b) EURO Sensitivity				
RUPEES / EURO – Increase by 1%	20.85	14.78	20.85	14.78
RUPEES / EURO – Decrease by 1%	(20.85)	(14.78)	(20.85)	(14.78)

iii) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and bonds. The Company is exposed to price risk arising mainly from investments in mutual funds recognised at FVTPL. As at 31st March, 2021, the carrying value of such instruments recognised at FVTPL amounts to ₹ 63,651.31 Lakhs (31st March, 2020 ₹ 15,483.64 lakhs). The details of such investments in mutual funds is given in note 4.

The management expects that the exposure to risk of changes in market rates of these mutual funds is minimal.

(b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

Concentrations of Credit Risk form part of Credit Risk

During the year ended 31st March, 2021, sales to a customer approximated ₹ 14,843.96 lakhs (or 6.46 % of net revenue) and during the year ended 31st March, 2020, sales to such customer approximated ₹ 44,929.56 lakhs (or 17.39 % of net revenue). Accounts receivable from such customer approximated ₹ 602.77 lakhs (or 1.50% of total receivables) at 31st March, 2021 and ₹ 3,378.06 lakhs (or 9.13% of total receivables) at 31st March, 2020. A loss of this customer could significantly affect the operating results or cash flows of the Company.

The Company generally extends a credit period of 0 to 180 days.

The reconciliation of ECL is as follows :

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	224.67	209.65
Add: Allowance for the year based on ECL	(120.89)	38.80
Less: Utilisation for the year based on ECL	(78.12)	(23.78)
Total provision based on ECL	**25.66**	**224.67**

(c) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including, debt and overdraft / credit facilities from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual payments:

(₹ in Lakhs)

Particulars	Carrying amount	Less than 1 year	1 to 5 years	More than 5 year	Total
Year ended 31st March, 2021					
Interest bearing borrowings*	19,719.27	6,517.04	16,447.26	-	22,964.30
Trade payables	24,251.02	24,251.02	-	-	24,251.02
Derivatives	421.66	22.60	399.06	-	421.66
Lease liabilities	1,008.98	90.59	655.83	262.56	1,008.98
Other financial liabilities	5,265.32	5,265.32	-	-	5,265.32
Year ended 31st March, 2020					
Interest bearing borrowings*	25,153.61	9,305.90	19,315.60	1,491.94	30,113.44
Trade payables	26,421.99	26,421.99	-	-	26,421.99
Derivatives	68.36	-	68.36	-	68.36
Lease liabilities	1,091.36	82.38	622.13	386.85	1,091.36
Other financial liabilities	6,198.26	6,198.26	-	-	6,198.26

** The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.*

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

35. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The Company estimates the amount of capital required on the basis of annual business and long term operating plans which includes capital and other strategic investments. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

As at 31st March, 2021, the Company meets its capital requirement through equity and borrowings from banks. The Company monitors its capital and debt on the basis of debt to equity ratio.

The debt equity ratio of the reporting period is as follows: (₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Borrowings	19,719.27	25,153.61
Total Equity	1,98,647.13	1,70,814.28
Debt Equity Ratio	0.10	0.15

The Company's capital management amongst other things, aims to ensure that it meets financials covenants attached to borrowings.

36. DISCLOSURE OF SIGNIFICANT INTEREST IN SUBSIDIARIES AS PER PARAGRAPH 17 OF IND AS 27

(₹ in Lakhs)

Name of Entity	Principal activities	Country of Incorporation	Ownership %	
			31st March, 2021	31st March, 2020
Ratnamani INC	Trading of goods	United States of America	100%	100%

Note : Method of accounting investment in subsidiary is at cost.

37. IMPACT ASSESSMENT ON COVID-19 OUTBREAK

On 24th March, 2020, the Government of India ordered a nationwide lockdown to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions including conditions in India because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets are fully recoverable. The Company believes that impact of COVID-19 on the Company's financial statement is not material.

38. The code of Social Security, 2020 ('Code') relating to employee benefits during the employment and post-employment received Presidential assent in September 2020 and its effective date Is yet to be notified. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13th November, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the financial impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective.

Notes to Standalone Financial Statements
For the year ended 31st March, 2021 (Contd.)

39. EVENTS AFTER THE REPORTING PERIOD

The Company evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 2nd June, 2021, other than those disclosed and adjusted elsewhere in these financial statements, there were no further subsequent events to be reported or recognised.

40. Figures of previous year's have been regrouped, wherever considered necessary to make them comparable to current year's figures.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration
No: 324982E/E300003

per PRITESH MAHESHWARI
Partner
Membership No. 118746

Place : Mumbai
Date : 2nd June, 2021

For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration
No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : 2nd June, 2021

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

P. M. SANGHVI
Chairman and Managing Director
DIN : 00006354

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Independent Auditors' Report

To the Members of **Ratnamani Metals & Tubes Limited**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Ratnamani Metals & Tubes Limited (hereinafter referred to as the "Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as the "Group") comprising of the consolidated Balance sheet as at 31st March, 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of one of the joint auditors on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2021, their consolidated profit including other consolidated comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of component not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Recoverability of Trade Receivable balances *(as described in note 6 of the consolidated financial statements)*	
Year-end outstanding trade receivables represent balance outstanding from domestic and export customers. Trade receivables by nature carry certain risks in general which include overdue balances, customers in weaker economic and geopolitical environment, customer's ability to pay, provision in relation to expected credit loss, assessment of recovery process and compliance with risk management controls. Procedures to mitigate such risks includes element of management judgment and are important to access recoverability of trade receivables. Trade receivables has been considered a key audit matter in the current year due to the significance of the amount and element of judgement involved in overall management assessment of customers' ability to repay the outstanding balances during COVID 19 disruption.	Our audit procedures among other things, included the following: - We obtained an understanding, evaluated the design, and tested the operating effectiveness of the controls related to the Trade Receivable process, where we tested on a sample basis control over the customer acceptance process, collection and the assessment of the recoverability of receivables; - Tested on a sample basis the aging of trade receivables at year end; - In respect of material trade receivables balances, inspected relevant contracts and correspondence with the customers, wherever applicable; - In respect of material trade receivables balances which are past due, additional procedures were performed to evaluate their historical payment trends, terms & conditions of customer contracts, assessed whether the customers are experiencing financial difficulties, and assessed expected credit loss assessment provided and impact considered by the management; - Compared the collateral, on test basis, in the nature of bank guarantees/letter of credits provided by customers as applicable; - Verified subsequent collection in relation to receivables outstanding as at 31st March, 2021.

Other Information

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

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

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

Responsibilities of Management for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other consolidated comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by one of the joint auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31st March, 2021and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not jointly audit the financial statements and other financial information, in respect of one subsidiary, whose financial statements include total assets of ₹139.16 Lakhs Lacs as at 31st March, 2021 and total revenues of ₹109.54 Lakhs and net cash inflows of ₹ 27.58 Lakhs for the year ended on that date. These financial statements and other financial information have been audited by one of the joint auditors and other joint auditors has placed reliance on the same. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of such joint auditors.

(b) Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the joint auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;

(c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019;

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, is disqualified as on 31st March, 2021from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion, the managerial remuneration for the year ended 31st March, 2021has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 26(b) to the consolidated financial statements;

   ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 32 to the consolidated financial statements.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India during the year ended 31st March, 2021.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per Pritesh Maheshwari
Partner
Membership No.: 118746
UDIN: 21118746AAAABB5782

Place : Mumbai
Date : June 2, 2021

For Kantilal Patel & Co.
Chartered Accountants
ICAI Firm registration number: 104744W

per Jinal A. Patel
Partner
Membership No.: 153599
UDIN: 21153599AAAAEJ4339

Place : Ahmedabad
Date : June 2, 2021

Annexure 1 to Independent Auditors' Report

Annexure 1 referred to paragraph 1 of Report on Other Legal Regulatory Requirements of Independent Auditor's report of even date for year ended March 31, 2021.

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

In conjunction with our audit of the consolidated financial statements of Ratnamani Metals & Tubes Limited as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Ratnamani Metals & Tubes Limited (hereinafter referred to as the "Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these consolidated financial statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these consolidated financial statements

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

Opinion

In our opinion, the Holding Company has maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003

per Pritesh Maheshwari
Partner
Membership No.: 118746
UDIN: 21118746AAAABB5782

Place : Mumbai
Date : June 2, 2021

For Kantilal Patel & Co.
Chartered Accountants
ICAI Firm registration number: 104744W

per Jinal A. Patel
Partner
Membership No.: 153599
UDIN: 21153599AAAAEJ4339

Place : Ahmedabad
Date : June 2, 2021

Consolidated Balance Sheet

As at 31st March, 2021

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	86,437.79	49,914.22
Capital work-in-progress	3	7,632.35	37,146.02
Intangible assets	3	73.33	77.62
Financial assets	4		
Loans		9.95	13.50
Other financial assets		1,105.12	117.94
Other non-current assets	8	945.69	3,087.28
Total non-current assets		**96,204.23**	**90,356.58**
Current assets			
Inventories	5	53,688.71	85,921.10
Financial assets			
Investments	4	63,651.31	15,483.64
Trade receivables	6	40,257.31	37,018.34
Cash and cash equivalents	7 (a)	4,364.28	4,678.11
Other balances with banks	7 (b)	1,140.00	12,732.23
Loans	4	20.03	26.00
Other financial assets	4	623.49	1,133.95
Other current assets	8	1,709.43	7,107.16
Total current assets		**1,65,454.56**	**1,64,100.53**
TOTAL ASSETS		**2,61,658.79**	**2,54,457.11**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	9	934.56	934.56
Other equity	10	1,97,821.46	1,69,981.02
Total equity		**1,98,756.02**	**1,70,915.58**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	11	14,558.23	17,562.51
Other financial liabilities	14	1,730.39	1,077.34
Deferred tax liabilities (net)	12	3,933.99	3,068.22
Total non-current liabilities		**20,222.61**	**21,708.07**
Current liabilities			
Financial liabilities			
Borrowings	11	79.61	4,435.65
Trade payables	13		
Total outstanding dues of micro enterprises and small enterprises		900.59	619.39
Total outstanding dues of creditors other than micro enterprises and small enterprises		23,332.42	25,776.10
Other financial liabilities	14	10,024.40	9,436.09
Other current liabilities	15	5,955.69	20,967.92
Provisions	16	220.63	567.41
Current tax liabilities (net)	17	2,166.82	30.90
Total current liabilities		**42,680.16**	**61,833.46**
Total liabilities		**62,902.77**	**83,541.53**
TOTAL EQUITY AND LIABILITIES		**2,61,658.79**	**2,54,457.11**
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the consolidated financial statements			

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration
No: 324982E/E300003

per PRITESH MAHESHWARI
Partner
Membership No. 118746

Place : Mumbai
Date : 2nd June, 2021

For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration
No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : 2nd June, 2021

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

P. M. SANGHVI
Chairman and Managing Director
DIN : 00006354

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Consolidated Statement of Profit & Loss

For the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Notes	Year Ended 31st March, 2021	Year Ended 31st March, 2020
INCOME			
Revenue from operations	18	2,29,813.15	2,58,567.60
Other income	19	4,340.75	5,929.99
Total income		**2,34,153.90**	**2,64,497.59**
EXPENSES			
Cost of raw materials and components consumed	20	1,35,984.44	1,75,017.97
Changes in inventories of finished goods and work-in-progress	21	11,153.67	(5,387.33)
Employee benefits expenses	22	14,179.20	14,549.50
Finance costs	23	2,290.02	2,096.27
Depreciation and amortisation expenses	3	5,685.47	5,850.84
Other expenses	24	28,514.90	31,733.62
Total expenses		**1,97,807.70**	**2,23,860.87**
Profit before tax		**36,346.20**	**40,636.72**
TAX EXPENSE			
Current tax	12	8,518.89	10,500.08
Excess provision for current tax of earlier years		(607.19)	(41.59)
Deferred tax	12	834.14	(576.17)
Total tax expense		**8,745.84**	**9,882.32**
Net profit for the year		**27,600.36**	**30,754.40**
Other comprehensive income / (loss)			
a) Items that will not be reclassified to profit and loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans		198.87	(223.78)
Income tax effect		(50.05)	56.32
		148.82	**(167.46)**
b) Items that will be reclassified to profit and loss in subsequent periods			
Net movement in cash flow hedge reserve		125.68	(71.98)
Income tax effect		(31.63)	(53.33)
		94.05	**(125.31)**
Exchange differences on translation of foreign operations		(2.79)	8.81
		91.26	**(116.50)**
Total other comprehensive income / (loss) for the year, net of tax		**240.08**	**(283.96)**
Total comprehensive income for the year, net of tax		**27,840.44**	**30,470.44**
Profit for the year attributable to:			
Equity holders of the parent		27,600.36	30,754.40
Non-controlling interest		-	-
Total comprehensive income attributable to:			
Equity holders of the parent		27,840.44	30,470.44
Non-controlling interest		-	-
Earnings per equity share [nominal value per share ₹ 2/- (31st March, 2020: ₹ 2/-)]	31		
Basic & Diluted		59.07	65.82
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the consolidated financial statements			

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration
No: 324982E/E300003

For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration
No: 104744W

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

per PRITESH MAHESHWARI
Partner
Membership No. 118746

per JINAL A. PATEL
Partner
Membership No. 153599

P. M. SANGHVI
Chairman and Managing Director
DIN : 00006354

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

Place : Mumbai
Date : 2nd June, 2021

Place : Ahmedabad
Date : 2nd June, 2021

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Consolidated Statement of Change in Equity

For the year ended 31st March, 2021

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each issued, subscribed and fully paid	No. in Lakhs	₹ in Lakhs
As at 1st April, 2019	467.28	934.56
Issue of Equity Share Capital	-	-
As at 31st March, 2020	467.28	934.56
Issue of Equity Share Capital	-	-
As at 31st March 2021	**467.28**	**934.56**

B. OTHER EQUITY (REFER NOTE-10)

(₹ in Lakhs)

Particulars	Reserves & Surplus					Other Comprehensive Income		Total Other Equity
	Securities Premium	Capital Reserve	Amalgamation Reserve	General Reserve	Retained Earnings	Cash Flow Hedge Reserve	Foreign Currency Translation Reserve	
As at 1st April, 2019	2,279.06	490.04	392.11	72,625.16	76,016.25	(475.43)	13.34	1,51,340.53
Profit for the year	-	-	-	-	30,754.40	-	-	30,754.40
Other Comprehensive Income :								
Re-measurement loss on defined benefit plans (net of tax)	-	-	-	-	(167.46)	-	-	(167.46)
Foreign currency translation reserve							8.81	8.81
Net movement in cash flow hedge reserve (net of tax)	-	-	-	-	-	(125.31)	-	(125.31)
Total Comprehensive Income	-	-	-	-	30,586.94	(125.31)	8.81	30,470.44
Transfer to General Reserves	-	-	-	-	-	-	-	-
Dividend paid (refer note-10)	-	-	-	-	(9,812.88)	-	-	(9,812.88)
Dividend Distribution Tax (refer note-10)	-	-	-	-	(2,017.07)	-	-	(2,017.07)
As at 31st March 2020	2,279.06	490.04	392.11	72,625.16	94,773.24	(600.74)	22.15	1,69,981.02
Profit for the year	-	-	-	-	27,600.36	-	-	27,600.36
Other Comprehensive Income :								
Re-measurement gain on defined benefit plans (net of tax)	-	-	-	-	148.82	-	-	148.82
Foreign currency translation reserve	-	-	-	-	-	-	(2.79)	(2.79)
Net movement in cash flow hedge reserve (net of tax)	-	-	-	-	-	94.05	-	94.05
Total Comprehensive Income	-	-	-	-	27,749.18	94.05	(2.79)	27,840.44
As at 31st March 2021	**2,279.06**	**490.04**	**392.11**	**72,625.16**	**1,22,522.42**	**(506.69)**	**19.36**	**1,97,821.46**

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration
No: 324982E/E300003

per PRITESH MAHESHWARI
Partner
Membership No. 118746

Place : Mumbai
Date : 2nd June, 2021

For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration
No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : 2nd June, 2021

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

P. M. SANGHVI
Chairman and Managing Director
DIN : 00006354

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Consolidated Statement of Cash Flow

For the Year Ended 31st March, 2021

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	36,346.20	40,636.72
Adjustments to reconcile profit before tax to net cash flows:		
Gain on Sale/Discard of property, plant and equipment & Capital Work-in-Progress (net)	(16.39)	(1.81)
Depreciation and amortisation expense	5,685.47	5,850.84
Dividend Income	-	(5.36)
Interest income and fair value changes in financial instruments	(2,789.21)	(2,627.25)
Unrealised Foreign Exchange Loss	111.77	139.33
Provision for doubtful debts	(120.89)	38.80
Excess provision/liabilities no longer payable written back	(50.53)	(446.28)
Interest expense	2,016.96	1,561.71
Operating Profit before working capital changes	**41,183.38**	**45,146.70**
Working capital adjustments:		
(Increase)/Decrease in trade receivables	(3,087.05)	9,734.52
Decrease/(Increase) in inventories	32,232.39	(26,918.17)
Decrease in loans	9.52	8.93
(Increase)/Decrease in other financial assets	(158.81)	44.00
Decrease/(Increase) in other non-financial assets	5,397.73	(5,696.41)
Decrease in trade payables	(2,207.71)	(3,390.02)
(Decrease)/Increase in other liabilities	(15,012.23)	12,522.50
Increase in other financial liabilities	2,044.22	834.29
(Decrease) in provisions	(147.91)	(146.60)
Cash generated from operations	**60,253.53**	**32,139.74**
Direct taxes paid (net)	(5,698.60)	(10,618.75)
Net Cash generated from operating activities	**54,554.93**	**21,520.99**
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets (including CWIP and capital advances)	(12,985.60)	(29,801.45)
Proceeds from sale of property, plant and equipment	89.03	12.22
Sales/(Purchase) of current investments (net)	(48,167.67)	4,829.66
Proceeds / (Deposits) from Deposits With Banks (net)	10,617.23	(12,732.23)
Dividend income	-	5.36
Interest Income	3,446.30	2,005.59
Net Cash used in investing activities	**(47,000.71)**	**(35,680.85)**

Consolidated Statement of Cash Flow

For the Year Ended 31st March, 2021

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
C: CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from long term borrowings	2,500.00	19,983.54
Repayment of long term borrowings	(4,034.68)	-
Repayment of short term borrowings (net)	(4,356.04)	(2,104.01)
Dividend paid	-	(9,812.88)
Dividend distribution tax on dividend	-	(2,017.07)
Payment of principal portion of lease liabilities	(82.38)	(50.57)
Interest paid (Including Interest Payment on lease liabilities)	(1,905.40)	(1,318.38)
Net Cash (used in)/generated from financing activities	**(7,878.50)**	**4,680.63**
Net (Decrease) in Cash and Cash Equivalents	**(324.28)**	**(9,479.23)**
Effect of Foreign currency translation reserve	(2.79)	8.81
Effect of Exchange difference on Cash and Cash equivalents held in foreign currency	13.24	(110.77)
Cash and Cash Equivalents at the beginning of the year	4,678.11	14,259.30
Cash and Cash Equivalents at the end of the year (refer note 7(a))	**4,364.28**	**4,678.11**

Notes:

a) The Consolidated Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

b) Disclosure of change in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are given below:

(₹ in Lakhs)

Particulars	As at 1st April, 2019	Cash flows	Foreign exchange movement	Changes in Fair Value	Other Changes#	As at 31st March, 2020
Long term borrowings	-	19,983.54	734.42	-	-	20,717.96
Short term borrowings	6,539.66	(2,104.01)	-	-	-	4,435.65
Interest	13.46	(1,318.38)	-	-	1,538.50	233.58
Lease liabilities	-	(50.57)	-	1,141.93	-	1,091.36
Total	**6,553.12**	**16,510.58**	**734.42**	**1,141.93**	**1,538.50**	**26,478.55**

Particulars	As at 1st April, 2020	Cash flows	Foreign exchange movement	Changes in Fair Value	Other Changes#	As at 31st March, 2021
Long term borrowings	20,717.96	(1,534.68)	456.38	-	-	19,639.66
Short term borrowings	4,435.65	(4,356.04)	-	-	-	79.61
Interest	233.58	(1,905.40)	-	-	1,902.14	230.32
Lease liabilities	1,091.36	(82.38)	-	-	-	1,008.98
Total	**26,478.55**	**(7,878.50)**	**456.38**	**-**	**1,902.14**	**20,958.57**

Other changes in interest accrued represents accrual of Interest during the year.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration
No: 324982E/E300003

per PRITESH MAHESHWARI
Partner
Membership No. 118746

Place : Mumbai
Date : 2nd June, 2021

For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration
No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : 2nd June, 2021

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

P. M. SANGHVI
Chairman and Managing Director
DIN : 00006354

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Notes to Consolidated Financial Statements

For the Year Ended 31st March, 2021

1. CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Ratnamani Metals & Tubes Limited (the "Company") and its subsidiary (collectively the "Group") for the year ended 31st March, 2021. The Company is a public Company domiciled in India and incorporated under the provisions of the Companies Act, applicable in India. Its shares are listed on two stock exchanges in India. The registered office of the Company is located at 17, Rajmugat Society, Naranpura Char Rasta, Naranpura, Ahmedabad, Gujarat. The Company is engaged in the manufacturing of stainless steel pipes and tubes and carbon steel pipes at Kutch, Indrad and Chhatral in the state of Gujarat. The Company caters to both domestic and international markets.

The consolidated financial statements were authorised for issue in accordance with a resolution passed in Board Meeting held on 2nd June, 2021.

2. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) including the Companies (Indian Accounting Standards) Amendment Rules, 2019 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements of the Group.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments) and derivative financial instruments.

The consolidated financial statements are presented in ₹ and all values are rounded to the nearest Lakhs (₹ 00,000), except where otherwise indicated.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. PRINCIPLES OF CONSOLIDATION :

The consolidated financial statements comprises the financial statements of the Company and its subsidiary, Ratnamani INC USA for the year ended 31st March, 2021. In the preparation of consolidated financial statements, investment in subsidiary has been accounted for in accordance with Ind AS 110 on 'Consolidated Financial Statements'. Consolidated financial statements have been prepared on the following basis:

i) Subsidiary is fully consolidated from the date of incorporation, being the date on which the Company obtains control, and continues to be consolidated until the date that such control ceases (including through voting rights). Subsidiary has been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions. The unrealised profits resulting from intra-group transactions that are included in the carrying amount of assets are eliminated in full.

ii) Financial statements of the subsidiary are prepared for the same reporting year as the parent Company, using consistent accounting policies. As far as possible, the consolidated financial statements have been prepared using uniform accounting policies, consistent with the Company's stand-alone financial statements for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements. Any deviation in accounting policies is disclosed separately.

iii) On consolidation, the assets and liabilities of foreign operations are translated into ₹ at the exchange rate prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the date of transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income (OCI).

iv) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

v) The subsidiary considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	% of Ownership interest as at	
		31st March, 2021	31st March, 2020
Ratnamani INC	United States of America	100%	100%

b. CURRENT VERSUS NON-CURRENT CLASSIFICATION:

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve month as its operating cycle.

c. FOREIGN CURRENCIES:

The Group's consolidated financial statements are presented in ₹, which is also the Group's functional currency. The Group determines the functional currency and items included in the consolidated financial statements are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the Group's functional currency at the exchange rates prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are restated in the functional currency at the exchange rates prevailing on the reporting date of financial statements.

Exchange differences arising on settlement of such transactions and on translation of monetary items are recognised in the Consolidated Statement of Profit and Loss.

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

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

d. FAIR VALUE MEASUREMENT:

The Group measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell

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an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Management determines the policies and procedures for both recurring fair value measurement, such as derivative financial instruments and unquoted financial assets measured at fair value, and for non-recurring fair value measurement.

External valuers are involved for valuation of significant assets, such and unquoted financial assets. Involvement of external valuers is decided upon annually by the Management after discussion with and approval by the Group's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant accounting judgements, estimates and assumptions (refer note 33 and 34)
- Quantitative disclosures of fair value measurement hierarchy (refer note 33.2)

- Financial instruments (including those carried at amortised cost) (refer note 33.1)

e. PROPERTY, PLANT AND EQUIPMENT (PPE): PPE and Capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and borrowing costs if capitalisation criteria are met, the cost of replacing part of the property, plant and equipment and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhauling is performed, its cost is recognised in the carrying amount of the PPE as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of parts replaced, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

CWIP comprises of cost of PPE that are yet not installed and not ready for their intended use at the Balance Sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if applicable.

The Group calculates depreciation on items of property, plant and equipment on a straight-line basis using the rates arrived at based on the useful lives defined under Schedule II of the Companies Act, 2013, except in respect of following fixed assets:

(i) Long Term Lease hold land is amortised over a period of 99 years, being the lease term.

(ii) Furnace and X-ray machines are depreciated at an annual rate of 20% to bring the depreciation rates in line with the useful life of assets as estimated by the Technical Team of the Group.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

f. INTANGIBLE ASSETS:

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost, less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets in the form of softwares are amortised on a straight-line basis over six years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

g. BORROWING COSTS:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale

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are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

h. IMPAIRMENT OF NON-FINANCIAL ASSETS:

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

i. LEASES:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee:

I. Right-of-use assets

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

Assets	Estimated Useful Life
Right-of-use of office premises and leasehold land	Over the balance period of lease agreement

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

II. Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

III. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment, offices and windmills (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value amounting to ₹2 Lakhs. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

IV. Leases previously classified as finance leases

The Group did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for lease previously classified as finance leases, i.e. the right to use of assets and lease liabilities equal to the lease assets and liabilities recognised under Ind AS 17. The requirements of Ind AS 116 was applied to those leases from 1st April, 2019.

j. FINANCIAL INSTRUMENTS:

A Financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.1(l) Revenue from contracts with customers.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets instruments at amortised cost (debt instruments)

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- Financial assets at fair value through other comprehensive income (FVTOCI)

- Financial assets at fair value through profit or loss (FVTPL) (Derivatives and Equity Instruments)

Financial assets at amortised cost (debt instruments)

A 'financial assets' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade, loans and other receivables.

Financial Assets at FVTOCI

Financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value, recognised in other comprehensive income (OCI).

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the asset that give rise on specified dates to cash flows that represent solely payment of principal and interest.

Financial Assets at FVTPL

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and investments in equity instruments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on such investments are recognised in the statement of profit and loss when the right of payment has been established.

Financial Assets included within the FVTPL category are measured at fair value with all changes recognised in the consolidated statement of Profit and Loss.

Equity investments

Investments in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements. All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions – see note 2.2
- Financial Assets at FVTPL – see note 2.1 (j)
- Trade receivables and contract assets – see note 6 and 2.1(l)

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

Under the simplified approach the Group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default over the expected life of a financial instrument.

The Group considers a financial asset in default when contractual payments are overdue. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

The Balance Sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

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Financial liabilities & Equity Instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including cash credit facilities from banks and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through Statement of Profit and Loss.

Financial liabilities at fair value through Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through statement of Profit and Loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings.

Financial guarantee contracts

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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

k. INVENTORIES:

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Scrap is valued at net realisable value. Cost is determined on a Weighted Average method.

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, incurred in bringing them in their respective present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to make the sale.

l. REVENUE:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 0 to 180 days upon delivery, usually backed by financial arrangements in some cases.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of

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significant financing components, noncash consideration, and consideration payable to the customer (if any). Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of GST, trade discounts & other taxes, adjustments for late delivery charges and material returned/rejected.

Variable Consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right of liquidated damages. The liquidated damages give rise to variable consideration.

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

ii) The Group accounts for pro forma credits, refunds of duty of customs or refunds of sales tax in the year of admission of such claims by the concerned authorities. Benefits in respect of Export Licenses are recognised on application. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same.

iii) Dividend is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

iv) Interest Income is recognised on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss.

v) Revenue from windmills is recognised on unit generation basis, in accordance with the terms of power purchase agreements.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (j) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities (Advance from customers)

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

m. RETIREMENT AND OTHER EMPLOYEE BENEFITS:

Retirement benefits in the form of provident fund and superannuation fund are defined contribution plans. The Group has no obligation, other than the contributions payable to provident fund and superannuation fund. The Group recognises contribution payable to these funds as an expense, when an employee renders the related service.

In respect of gratuity liability, the Group operates defined benefit plan wherein contributions are made to a separately administered fund. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each reporting date being carried out using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs; and
- Net interest expense or income

The liability in respect of unused leave entitlement of the employees as at the reporting date is determined on the basis of an independent actuarial valuation carried out and the liability is recognised in the Statement of Profit and Loss. The Group presents the entire leave as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Actuarial gain and loss is recognise in full in the period in which they occur in the Statement of Profit and Loss.

n. TAXES:

Tax expense comprises of current income tax and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax:

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable Profit and Loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against the deductible temporary differences, except:

- When the deferred tax asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Notes to Consolidated Financial Statements For the year ended 31st March, 2021 (Contd.)

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

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

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

o. PROVISIONS:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

p. DERIVATIVE FINANCIAL INSTRUMENTS:

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks, interest rate, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. The Group uses forward currency contracts and interest rate swaps as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

q. EARNINGS PER SHARE:

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

r. CASH AND CASH EQUIVALENT:

Cash and cash equivalents in the Balance Sheet comprise cash at banks and in hand and term deposits with an original maturity of three months or less, which are subject to an insignificant risk of charges in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

s. CASH DIVIDEND:

The Group recognises a liability to make cash or non-cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.2 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgement, which have the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

Revenue from contracts with customers

The Group applied the following judgement that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining method to estimate variable consideration and assessing the constraint.

Certain contracts with customers include Liquidated Damages that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which customer will be entitled. The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for revenue from contract with customer. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract with the customer. Before adjusting any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

Further details about gratuity obligations are given in note 25.

Useful Life of Property Plant & Equipment and Intangible assets

Property, Plant and Equipment and Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful life and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

Fair value measurement for financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 33 and 34 for further disclosures.

3. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Leasehold land	Right of Use		Freehold land	Buildings	Plant & Machinery	Furniture & fixture	Vehicles	Office equipment	Total
		Leasehold land	Office Premises							
Cost										
As at 1st April, 2019	27.60	-	-	4,432.19	10,901.85	48,785.66	441.91	1,754.43	581.24	66,924.88
Recognition on initial application of Ind AS 116	-	42.57	64.91	-	-	-	-	-	-	107.48
Transfer on account of impact of IND AS 116	27.60	-	-	-	-	-	-	-	-	27.60
Additions	-	-	1,102.51	1.70	1,117.92	8,399.96	415.10	534.33	178.67	11,750.19
Disposals	-	-	-	-	-	-	-	65.00	0.62	65.62
As at 31st March, 2020	-	42.57	1,167.42	4,433.89	12,019.77	57,185.62	857.01	2,223.76	759.29	78,689.33
Additions	-	-	-	450.55	7,331.31	34,119.02	56.96	179.20	132.23	42,269.27
Disposals	-	-	-	-	-	49.31	-	228.13	0.54	277.98
As at 31st March, 2021	**-**	**42.57**	**1,167.42**	**4,884.44**	**19,351.08**	**91,255.33**	**913.97**	**2,174.83**	**890.98**	**1,20,680.62**
Depreciation/Amortization and Impairment										
As at 1st April, 2019	1.40	-	-	-	1,548.61	20,398.77	278.43	500.59	264.66	22,992.46
Depreciation/ Amortization for the year	-	3.08	87.52	-	442.85	4,908.65	31.35	266.82	98.99	5,839.26
Transfer on account of impact of IND AS 116	1.40	-	-	-	-	-	-	-	-	1.40
Disposals	-	-	-	-	-	-	-	55.07	0.14	55.21
As at 31st March, 2020	-	3.08	87.52	-	1,991.46	25,307.42	309.78	712.34	363.51	28,775.11
Depreciation/ Amortization for the year	-	3.09	138.75	-	494.50	4,561.51	72.59	278.37	124.25	5,673.06
Disposals	-	-	-	-	-	46.76	-	158.08	0.50	205.34
As at 31st March, 2021	**-**	**6.17**	**226.27**	**-**	**2,485.96**	**29,822.17**	**382.37**	**832.63**	**487.26**	**34,242.83**
Net Block										
As at 31st March, 2021	**-**	**36.40**	**941.15**	**4,884.44**	**16,865.12**	**61,433.16**	**531.60**	**1,342.20**	**403.72**	**86,437.79**
As at 31st March, 2020	-	39.49	1,079.90	4,433.89	10,028.31	31,878.20	547.23	1,511.42	395.78	49,914.22

i) Buildings includes ₹ 47.80 Lakhs (31st March, 2020 ₹ 47.80 Lakhs) representing cost of unquoted fully paid shares held in co-operative housing societies.

(b) Intangible Assets

(₹ in Lakhs)

Particulars	Software
Cost	
As at 1st April, 2019	222.78
Additions	19.61
As at 31st March, 2020	242.39
Additions	8.12
As at 31st March, 2021	**250.51**
Amortisation and Impairment	
As at 1st April, 2019	153.19
Amortisation for the year	11.58
As at 31st March, 2020	164.77
Amortisation for the year	12.41
As at 31st March, 2021	**177.18**
Net Block	
As at 31st March, 2021	**73.33**
As at 31st March, 2020	77.62

(c) Capital work-in-progress

(₹ in Lakhs)

Particulars	Amount
As at 31st March, 2021	**7,632.35**
As at 31st March, 2020	37,146.02

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

4. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investments		
Non-Trade Investments		
Investments in Mutual Funds (Quoted) (at fair value through profit and loss)		
13,947.339 (31st March, 2020: Nil) Units of DSP Mutual Fund Growth	410.21	-
Nil (31st March, 2020: 91,769.397) units of SBI Magnum Ultra Short Duration Fund Direct Growth	-	4,110.94
11,72,813.654 (31st March, 2020: Nil) Units of SBI Magnum Low Duration Fund Direct Growth	32,789.11	-
Nil (31st March, 2020: 2,39,882.461) units of SBI Overnight Fund Direct Growth	-	7,805.10
13,510.265 (31st March, 2020: Nil) units of LIC MF Liquid Fund Direct Growth	504.86	-
43,770.043 (31st March, 2020: Nil) Units of Axis Liquid Fund - Direct Growth - CFDG	1,000.06	-
217,609.654 (31st March, 2020: Nil) Units of SBI Liquid Fund Direct Growth	7,010.53	-
883,617.241 (31st March, 2020: 1,53,434.938) units of Axis Treasury Advantage Fund - Direct Growth - TADG	21,936.54	3,567.60
	63,651.31	**15,483.64**
Current	63,651.31	15,483.64
Non-Current	-	-
	63,651.31	**15,483.64**
Aggregate value of Unquoted Investments	-	-
Aggregate book value of Quoted Mutual Funds	63,651.31	11,916.04
	63,651.31	**11,916.04**
Aggregate market value of Quoted Mutual Funds (refer note-33)	63,651.31	11,916.04
Loans (Unsecured, Considered Good)		
Loans to employees	29.98	39.50
	29.98	**39.50**
Current	20.03	26.00
Non-Current	9.95	13.50
	29.98	**39.50**
Other Financial Assets		
Interest accrued	30.30	689.83
Security deposits	438.78	441.53
Margin money with banks	975.00	-
Derivative instruments at fair value through profit or loss		
(Derivatives not designated as hedges)		
Foreign exchange forward contracts	-	19.90
Wind-Mill surplus receivable	86.14	100.63
Gratuity fund (refer note-25)	65.02	-
Others	133.37	-
	1,728.61	**1,251.89**
Current	623.49	1,133.95
Non-Current	1,105.12	117.94
	1,728.61	**1,251.89**

Loans are non-derivative financial assets which generate a fixed interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

Fair value disclosures for financial assets and liabilities (refer note-33.1)

Fair value hierarchy disclosures for investment (refer note-33.2)

For Financial instruments risk management objectives and policies (refer note-34)

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

5. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw materials		
Raw materials and components	30,073.96	43,375.27
Raw materials in transit	337.24	7,612.55
Work-in-progress	12,704.58	27,977.34
Finished goods		
Finished goods	5,622.68	2,391.89
Finished goods in transit	1,579.06	690.76
Stores and spares	3,371.19	3,873.29
	53,688.71	**85,921.10**

6. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade receivables		
Secured, considered good	5,775.62	6,351.60
Unsecured, considered good	34,481.69	30,666.74
Trade receivables which have significant increase in credit Risk	-	-
Trade receivables - credit impaired	25.66	224.67
	40,282.97	**37,243.01**
Impairment allowance (allowance for bad and doubtful debts)		
Trade receivables - credit impaired	25.66	224.67
Total trade receivables	**40,257.31**	**37,018.34**
Above includes :		
Receivables from related parties, unsecured, considered good (refer note-30)	99.89	50.95

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

Refer note 34 (b) for credit risk evaluation.

Following is the movement of allowance for expected credit losses of trade receivables: (₹ in Lakhs)

Particulars	31st March, 2021	31st March, 2020
As at April 1	224.67	209.65
Provision for expected credit losses	8.97	260.71
Provision for expected credit losses utilised (refer note-24)	(78.12)	(23.78)
Provision for expected credit losses reversed	(129.86)	(221.91)
As at March 31	25.66	224.67

7. CASH AND BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Cash and Cash Equivalents		
Balances with Banks		
In Current accounts	1,993.61	4,527.74
Deposits with original maturity of three months or less	2,200.00	-
Unpaid dividend accounts	151.05	133.08
Cash on hand	19.62	17.29
	4,364.28	**4,678.11**
(b) Other balances with banks		
Deposits with original maturity of more than three months but less than twelve months	1,140.00	12,732.23
	5,504.28	**17,410.34**

Short-term deposits are made for varying periods of between one day to three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

Deposits aggregating to ₹ 2,115.00 Lakhs (31st March, 2020: ₹ 4,998.00 Lakhs) are pledged / lien against bank overdraft facility.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

8. OTHER ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital advances	424.06	2,323.60
Investment in silver	0.84	0.84
Prepaid expense	315.16	305.74
Advance receivable in cash or kind		
Advance for material	1,033.57	2,437.92
Excise / GST claim receivables	28.09	765.44
Duty entitlement pass book / Import licenses	-	34.60
Balances with government authorities	331.25	3,546.93
Export benefits receivable	27.86	31.03
Others	8.50	20.50
	1,429.27	**6,836.42**
	2,169.33	**9,466.60**
Non-Current tax assets (net)	485.79	727.84
	2,655.12	**10,194.44**
Current	1,709.43	7,107.16
Non-Current	945.69	3,087.28
	2,655.12	**10,194.44**

9. SHARE CAPITAL

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. in Lakhs	₹ in Lakhs	No. in Lakhs	₹ in Lakhs
Authorised Share Capital	750.00	1,500.00	750.00	1,500.00
Increase/(decrease) during the year	-	-	-	-
	750.00	**1,500.00**	**750.00**	**1,500.00**

Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 2/- per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividend in Indian ₹. The dividend proposed by the Board of Directors is subject to approval of the Shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by Share holders.

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. in Lakhs	₹ in Lakhs	No. in Lakhs	₹ in Lakhs
Issued Share Capital				
Equity shares of ₹ 2 each issued, subscribed and fully paid	467.28	934.56	467.28	934.56
Increase/(decrease) during the year	-	-	-	-
	467.28	**934.56**	**467.28**	**934.56**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

Details of Shareholders holding more than 5% Equity Shares in the Company

Name of the Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	% held	No. of Shares	% held
Prakash M. Sanghvi	72,18,385	15.45%	72,18,385	15.45%
Jayanti M. Sanghvi	39,11,025	8.37%	39,11,025	8.37%
Nalanda India Fund Limited	28,50,155	6.10%	28,50,155	6.10%
L&T Mutual Fund Trustee Limited	24,30,447	5.20%	25,78,003	5.52%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares.

10. OTHER EQUITY

(₹ in Lakhs)

Particulars		As at 31st March, 2021	As at 31st March, 2020
a)	**Securities Premium**		
	Opening balance	2,279.06	2,279.06
	Increase/(decrease) during the year	-	-
		2,279.06	**2,279.06**
	Securities premium is used to record the premium on issue of shares. This reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.		
	OTHER RESERVES		
b)	**Foreign Exchange Translation reserve**		
	Opening balance	22.15	13.34
	Increase/(decrease) during the year	(2.79)	8.81
		19.36	**22.15**
	Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.		
c)	**Capital Reserve**		
	Opening balance	490.04	490.04
	Increase/(decrease) during the year	-	-
		490.04	**490.04**
	Capital reserve is mainly used to record the reserves created on receipt of state/central subsidies and amount forfeited towards the forfeiture of equity warrants issued. This reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.		
d)	**Amalgamation Reserve**		
	Opening balance	392.11	392.11
	Increase/(decrease) during the year	-	-
		392.11	**392.11**
	Amalgamation reserve is used to record the reserves created on amalgamation of Ratnamani Engineering Ltd. and Ratnamani Fine Tubes Pvt. Ltd. This reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.		
e)	**General Reserve**		
	Opening balance	72,625.16	72,625.16
	Increase/(decrease) during the year	-	-
		72,625.16	**72,625.16**
	Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.		

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

(₹ in Lakhs)

	Particulars	As at 31st March, 2021	As at 31st March, 2020
	Other Comprehensive Income		
f)	**Cash flow hedge reserve**		
	Opening balance	(600.74)	(475.43)
	Net movement during the year	94.05	(125.31)
		(506.69)	**(600.74)**

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts, currency swaps, and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve.
Amounts recognised in the cash flow hedge reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss.

g)	**Retained Earnings**		
	Opening balance	94,773.24	76,016.25
	Profit for the year	27,600.36	30,754.40
	Other Comprehensive Income		
	Re-measurement gain on defined benefit plans (net of tax)	148.82	(167.46)
	Dividend paid	-	(9,812.88)
	Dividend Distribution Tax	-	(2,017.07)
		1,22,522.42	**94,773.24**
	Total Other Equity (a+b+c+d+e+f+g)	**1,97,821.46**	**1,69,981.02**

(₹ in Lakhs)

Distribution made and proposed	As at 31st March, 2021	As at 31st March, 2020
Cash dividend on equity shares declared and paid		
"Final Dividend for the year ended 31st March, 2020: ₹ Nil per share (for the year ended 31st March, 2019: ₹ 9.00 per share)"	-	4,205.52
Dividend distribution tax	-	864.46
	-	**5,069.98**
Interim dividend for the year ended 31st March, 2021: ₹ Nil per share (for the year ended 31st March, 2020: ₹ 12.00 per share)	-	5,607.36
Dividend distribution tax	-	1,152.61
	-	**6,759.97**
Proposed dividend on equity shares		
"Final Dividend for the year ended 31st March, 2021: ₹ 14.00 per share (for the year ended 31st March, 2020: ₹ Nil per share)"	6,541.92	-
	6,541.92	**-**

Proposed dividends on equity shares are subject to approval at the ensuing Annual General Meeting and are not recognised as a liability as at March 31.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

11. BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Long term Borrowing (refer note-a)		
External (Foreign) Commercial Borrowings (Secured)	12,452.16	15,717.96
Less:- Current maturity grouped as other current financial liability (refer note 14)	3,831.43	2,947.12
	8,620.73	**12,770.84**
Term Loan (Secured)	7,187.50	5,000.00
Less:- Current maturity grouped as other current financial liability (refer note 14)	1,250.00	208.33
	5,937.50	**4,791.67**
	14,558.23	**17,562.51**
Short term Borrowings		
Cash credit/export packing credit facilities (secured)(refer note-b)	79.61	-
Bank Overdrafts (Secured) (refer note-c)	-	4,435.65
	79.61	**4,435.65**
Total Borrowings	**14,637.84**	**21,998.16**
Current	79.61	4,435.65
Non-Current	14,558.23	17,562.51
	14,637.84	**21,998.16**

a) Long Term Borrowings are secured by - i) a first pari passu charge on entire manufacturing movable fixed assets; ii) a first pari passu mortgage and charge on immovable properties situated at Indrad, Kadi and Anjar, Kutch all in the State of Gujarat; iii) a second pari passu charge on entire current assets in the form of inventories, book-debts and all other movable assets.

External (Foreign) Commercial Borrowing of ₹ 12,452.16 Lakhs (31st March, 2020 ₹ 15,717.96) carry interest @ 3M Libor plus 100 basis point. The loan is repayable in 16 quarterly instalments between July 29, 2020 till April 29, 2024.

Term Loan of ₹ 7,187.50 Lakhs (31st March, 2020 ₹ 5,000.00) carry interest @ 3M MCLR plus 15 basis point. The loan is repayable in 24 equal quarterly instalments between 31st March, 2021 till 31st December, 2026.

b) Short term Borrowings are secured by - i) a first pari passu charge on entire current assets in the form of inventories, book-debts, all other movable assets; ii) a second pari passu charge on entire manufacturing movables fixed assets; iii) a second pari passu mortgage and charge on immovable properties situate at Indrad, Kadi and Anjar, Kutch all in the State of Gujarat; iv) a Negative Lien on the agricultural lands, pending conversion to the non-agriculture status; v) a Negative Lien on leasehold interest on the immovable properties situate at GIDC Estate Chhatral, Taluka Kalol, District Gandhinagar.

Short term Borrowings from banks carries interest in the range of 0 to 12 month MCLR plus 25 to 50 basis point.

c) The bank overdrafts are secured by a portion of the Company's term deposits which carry interest at 5.00 % p.a (31st March, 2020: 7.95% to 8.45%). The borrowings are payable on demand.

d) At 31 March 2021, the Company has available fund based working capital limits from consortium banks and term loan aggregating to ₹ 22,320.39 Lakhs (31st March, 2020: ₹ 24,900.00 Lakhs) of undrawn committed borrowing facilities.

12. INCOME TAX

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
The major component of income tax expense for the years ended 31st March, 2021 and 31st March, 2020 are :		
Consolidated Statement of Profit and Loss		
Current tax		
Current income tax	8,518.89	10,500.08
Excess provision for current tax of earlier years	(607.19)	(41.59)
Deferred tax		
Deferred tax expense	834.14	(576.17)
Income tax expense reported in the consolidated statement of profit and loss	**8,745.84**	**9,882.32**
OCI Section		
Other comprehensive income (OCI)		
Deferred tax related to items recognised in OCI during the year		
Re-measurement gain/(loss) on defined benefit plans	(50.05)	56.32
Net movement in cash flow hedge reserve	(31.63)	(53.33)
Tax credited to OCI	**(81.68)**	**2.99**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

a) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended 31st March, 2021 and 31st March, 2020:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Accounting Profit before tax	36,346.20	40,636.72
Enacted income tax rate in India applicable to the Company	25.168%	25.168%
Tax using the Company's domestic tax rate	9,147.61	10,227.45
Tax effects of :		
Exempt Income	-	(1.35)
Non-deductible expenses	206.28	176.76
Excess provision for current tax of earlier years	(607.19)	(41.59)
Others	(0.86)	(478.94)
At the effective income tax rate of 31st March, 2021: 24.06% (31st March, 2020: 24.32%)	**8,745.84**	**9,882.32**

b) Movement in deferred tax liabilities (net) for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Opening Balance as at 1st April, 2020	Recognised in consolidated profit and loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2021
Tax effect of items constituting deferred tax liabilities:				
Accelerated depreciation for tax purposes	3,590.91	448.94	-	4,039.85
Accrued Income taxable on realisation	96.55	238.14	-	334.69
	3,687.46	**687.08**	**-**	**4,374.54**
Tax effect of items constituting deferred tax assets:				
Expenses allowed in year of payment	(417.20)	147.06	-	(270.14)
Revaluation of cash flow hedges	(202.04)	-	31.63	(170.41)
	(619.24)	**147.06**	**31.63**	**(440.55)**
Net deferred tax liabilities	**3,068.22**	**834.14**	**31.63**	**3,933.99**

Movement in deferred tax liabilities (net) for the year ended 31st March, 2020

(₹ in Lakhs)

Particulars	Opening Balance as at 1st April, 2019	Recognised in consolidated profit and loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2020
Tax effect of items constituting deferred tax liabilities:				
Accelerated depreciation for tax purposes	4,177.76	(586.85)	-	3,590.91
Accrued Income taxable on realisation	-	96.55	-	96.55
	4,177.76	**(490.30)**	**-**	**3,687.46**
Tax effect of items constituting deferred tax assets:				
Expenses allowed in year of payment	(327.22)	(89.98)	-	(417.20)
Revaluation of cash flow hedges	(255.37)	-	53.33	(202.04)
Other adjustments	(4.11)	4.11	-	-
	(586.70)	**(85.87)**	**53.33**	**(619.24)**
Net deferred tax liabilities	**3,591.06**	**(576.17)**	**53.33**	**3,068.22**

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

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

During the year ended 31st March, 2020, the Company has paid dividend to its shareholders. This has resulted in payment of dividend distribution tax (DDT) to the taxation authorities. The Company believes that dividend distribution tax represents additional payment to taxation authority on behalf of the shareholders. Hence, dividend distribution tax paid is charged to equity.

13. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of micro enterprises and small enterprises (refer note-a)	900.59	619.39
Total outstanding dues of creditors other than micro enterprises and small enterprises	23,332.42	25,776.10
	24,233.01	**26,395.49**
Above includes:		
Payable to related parties (refer note 30)	3,179.27	3,130.84

The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development (MSMED) as at 31st March 2021. The disclosure pursuant to the said Act is as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
i) Amounts remaining unpaid as at year end towards		
Principal	900.59	619.39
Interest	98.76	37.56
ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	98.76	37.56
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

14. OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Financial liabilities at fair value through OCI		
Cash flow hedges		
Currency and interest rate swaps	399.06	68.36
Financial liabilities at fair value through profit or loss		
(Derivatives not designated as hedges)		
Foreign exchange forward contracts	22.60	-
Other financial liabilities at amortised cost		
Current maturity of Long Term Borrowings (refer note 11)	5,081.43	3,155.45
Interest Accrued but not due	230.32	233.58
Payables in respect of capital goods	3,446.69	5,568.11
Unpaid dividend#	151.05	133.08
Lease liabilities	1,008.98	1,091.36
Other miscellaneous liabilities	1,414.66	263.49
	11,754.79	**10,513.43**
Current	10,024.40	9,436.09
Non-Current	1,730.39	1,077.34
	11,754.79	**10,513.43**

not due for credit to "Investors Education and Protection Fund"

Fair value disclosures for financial liabilities (refer note 33.1)

15. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Contract liability (Advance from customers)	4,311.36	16,518.00
Statutory dues payable	1,069.42	805.05
Other miscellaneous liabilities	574.91	3,644.87
	5,955.69	**20,967.92**

16. PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits		
Compensated absences	220.63	289.48
Gratuity (refer note-25)	-	277.93
	220.63	**567.41**
Current	220.63	567.41
Non-Current	-	-
	220.63	**567.41**

17. CURRENT TAX LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Income tax (net of advance tax)	2,166.82	30.90
	2,166.82	**30.90**

18 REVENUE FROM CONTRACTS WITH CUSTOMERS

18.1 Disaggregated revenue information

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Set out below is the disaggregation of the Company's revenue from contracts with customers:		
Type of goods or service		
Sale of steel tubes and pipes	2,27,087.39	2,52,216.91
Sale of power generated from windmills	453.28	643.51
Sale of services	1,396.57	2,677.84
Revenue from contracts with customers	**2,28,937.24**	**2,55,538.26**
Other operating revenue	875.91	3,029.34
Total revenue from operations	**2,29,813.15**	**2,58,567.60**
Sales of steel tubes and pipes		
In India	1,71,408.33	2,01,464.42
Outside India	55,679.06	50,752.49
	2,27,087.39	**2,52,216.91**
Sale of power generated from windmills		
In India	453.28	643.51
Sale of Services		
In India	1,396.57	2,677.84
Total revenue from contracts with customers	**2,28,937.24**	**2,55,538.26**
Timing of revenue recognition		
Goods and services transferred at a point in time	2,28,937.24	2,55,538.26
Total Revenue from contracts with customers	**2,28,937.24**	**2,55,538.26**

18.2 Contract balances

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade receivables	40,257.31	37,018.34
Contract liabilities (Advance from customers)	4,311.36	16,518.00

In March 2021, ₹ 8.97 Lakhs (March 2020: ₹ 21.88 Lakhs) was recognised as provision for expected credit losses on trade receivables.

Contract liabilities (Advance from customers) include short-term advances received from customers against supply of Steel Tubes & Pipes. The outstanding balances of these accounts decreased in 2020-21 due to performance obligations satisfied in the year 2020-21.

Set out below is the amount of revenue recognised from :-

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Amounts included in Contract liabilities (Advance from customers) at the beginning of the year	16,272.25	7,113.74

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

18.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Revenue as per contracted price (net of taxes)	2,27,062.87	2,59,119.26
Adjustments :-		
Provision/(Reversal) for late deliveries, sales return etc.	1,874.37	(3,834.65)
Revenue from contract with customers	**2,28,937.24**	**2,55,284.61**

18.4 Performance obligation

Information about the Company's performance obligations are summarised below:

Steel tubes and pipes

The performance obligation is satisfied upon delivery of the goods and control thereof is assumed by the customers and payment gets due as contractually agreed, generally ranging within 0 to 180 days from delivery, backed up by financials arrangements in certain cases.

Power generated from windmills

The performance obligation from windmills is recognised on unit generation basis, in accordance with the terms of power purchase agreements.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March, 2020 are as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Within one year	99,615.60	1,37,315.68
More than one year	883.32	1,297.24
	1,00,498.92	**1,38,612.92**

19. OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest income on		
Bank deposits	190.07	922.06
Others	309.79	511.38
Other non-operating income		
Fair value gain on financial instruments at fair value through profit and loss	2,289.35	1,193.81
Profit on Sale/Discard of property, plant and equipment (net)	16.39	1.81
Excess Provision for doubtful debts written back	120.89	-
Excess provision/liabilities no longer payable written back	50.53	446.28
Dividend income on current investments	-	5.36
Foreign exchange fluctuation (net)	1,302.87	2,823.93
Miscellaneous income	60.86	25.36
	4,340.75	**5,929.99**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

20. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Opening inventory	50,987.82	29,951.57
Add: Purchases	1,15,407.82	1,96,054.22
	1,66,395.64	**2,26,005.79**
Less: Closing inventory	30,411.20	50,987.82
Cost of raw materials and components consumed	**1,35,984.44**	**1,75,017.97**

21. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Inventories at the end of the year		
Work in process	12,704.58	27,977.34
Finished goods	7,201.74	3,082.65
	19,906.32	**31,059.99**
Inventories at the beginning of the year		
Work in process	27,977.34	19,903.94
Finished goods	3,082.65	5,768.72
	31,059.99	**25,672.66**
(Increase)/Decrease In Inventory		
Work in process	15,272.76	(8,073.40)
Finished goods	(4,119.09)	2,686.07
	11,153.67	**(5,387.33)**

22. EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries, wages and bonus	12,462.34	12,760.80
Contribution to provident and other funds (refer note-25)	719.53	670.89
Gratuity expense (refer note-25)	231.98	188.55
Staff welfare expenses	765.35	929.26
	14,179.20	**14,549.50**

23. FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest on debts and borrowings	1,748.91	1,445.94
Interest on income tax	114.82	23.21
Interest on lease liabilities	89.08	57.83
Interest others	64.15	34.73
Bank charges	273.06	534.56
	2,290.02	**2,096.27**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

24. OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Consumption of stores & spares	6,609.53	7,456.89
Freight & transport charges	8,267.29	10,171.53
Power & fuel	4,277.62	3,987.51
Labour & processing charges	3,346.34	3,613.23
Repairs and maintenance:		
Plant and machineries	776.78	775.10
Buildings	312.87	125.40
Others	64.45	62.21
Testing and inspection charges	105.18	224.09
Legal & consultancy charges	592.33	932.05
Traveling & conveyance expenses	326.77	567.66
Insurance	589.30	485.49
Expense relating to short-term leases (refer note-26 a)	237.61	250.86
Rates & taxes	133.36	308.87
Advertisement & other expenses	45.84	98.71
Sales commission	300.57	345.36
Provision for doubtful debts/Expected credit loss for trade receivables	-	38.80
Bad debts written off	78.12	23.78
Provision for doubtful debts utilised	(78.12)	(23.78)
Charity and donations	150.00	201.86
CSR expenses (refer note-a)	669.62	488.34
Directors' sitting fees	18.40	20.80
Miscellaneous expenses	1,691.04	1,578.86
	28,514.90	**31,733.62**
a) Other expenses include ₹ 669.62 Lakhs (P.Y. ₹ 488.34 Lakhs), spent towards various activities relating to Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013, details of which are as under:		
Details of Corporate Social Responsibility :-		
1. Gross amount required to be spent during the year	669.62	532.78
2. Amount approved by the board to be spent during the year	669.62	532.78
3. Amount spent during the year :-		
i) Construction/acquisition of any asset		
In Cash	221.00	160.00
Yet to be paid in cash	341.19	-
Total	**562.19**	**160.00**
ii) On purposes other than (i) above		
In Cash	107.43	328.34
Yet to be paid in cash	-	-
Total	**107.43**	**328.34**
4. Amount related to spent/unspent obligation:		
i) Contribution to Trust	221.00	160.00
ii) Others	107.43	328.34
iii) Unspent amount in relation to :		
- Ongoing project	341.19	-
- Other than Ongoing project	-	-
	669.62	**488.34**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

Details of ongoing project

In case of S. 135(6) (Ongoing Project)						
Opening Balance		**Amount required to be spent during the year**	**Amount spent during the year**		**Closing Balance**	
With Company	**In Separate CSR Unspent A\c**		**From company's bank A/c**	**From Separate CSR Unspent A\c**	**With Company**	**In Separate CSR Unspent A\c***
-	-	669.62	328.43	-	-	341.19

*deposited subsequent to year end.

25. EMPLOYEE BENEFITS EXPENSES

A. Defined contribution plans:

Amount of ₹ 719.53 Lakhs (31st March, 2020: ₹ 670.89 Lakhs) is recognised as expenses and included in note no. 22 "Employee benefits expense"

(₹ in Lakhs)

Particulars	**Year ended 31st March, 2021**	Year ended 31st March, 2020
Provident Fund	317.79	304.37
Contributory Pension Scheme	285.26	278.39
Superannuation Fund	115.95	87.59
Gujarat Labour Welfare Fund	0.53	0.54
	719.53	**670.89**

B. Defined benefit plans:

The Company operates gratuity plan in the nature of defined benefit plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The gratuity plan is governed by the payment of Gratuity Act,1972. The Company's gratuity plan is funded with Life Insurance Corporation of India and HDFC life.

31st March, 2020: Changes in defined benefit obligation and plan assets (₹ in Lakhs)

	01st April, 2020	**Cost charged to consolidated Statement of Profit and Loss**			**Benefit paid**	**Remeasurement gains/(losses) in other comprehensive income**				**Contributions by employer**	**31st March, 2021**
		Service cost	**Net interest expense**	**Sub-total included in Consolidated Statement of Profit and Loss (note 22)**		**Return on plan assets (excluding amounts included in net interest expense)**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**		
Gratuity											
Defined benefit obligation	3,194.00	212.97	218.47	431.44	(102.18)	-	(25.31)	(161.60)	(186.91)	-	3,336.35
Fair value of plan assets	2,916.07	-	199.46	199.46	(4.05)	(11.96)	-	-	(11.96)	277.93	3,401.37
Benefit liability	277.93	212.97	19.01	231.98	-	11.96	(25.31)	(161.60)	(198.87)	(277.93)	(65.02)
Total benefit liability\(plan asset)	**277.93**	**212.97**	**19.01**	**231.98**	**-**	**11.96**	**(25.31)**	**(161.60)**	**(198.87)**	**(277.93)**	**(65.02)**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

31st March, 2020: Changes in defined benefit obligation and plan assets (₹ in Lakhs)

	1st April, 2019	Cost charged to Consolidated Statement of Profit and Loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income				Contributions by employer	31st March, 2020
		Service cost	Net interest expense	Sub-total included in Consolidated Statement of Profit and Loss (note 22)		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity											
Defined benefit obligation	2,713.92	171.70	211.41	383.11	(134.41)	-	241.50	(10.12)	231.38	-	3,194.00
Fair value of plan assets	2,497.52	-	194.56	194.56	-	(7.60)	-	-	(7.60)	216.39	2,916.07
Benefit liability	216.40	171.70	16.85	188.55	-	7.60	241.50	(10.12)	223.78	(216.39)	277.93
Total benefit liability	**216.40**	**171.70**	**16.85**	**188.55**	**-**	**7.60**	**241.50**	**(10.12)**	**223.78**	**(216.39)**	**277.93**

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows: (₹ in Lakhs)

Particulars	**As at 31st March, 2021**	As at 31st March, 2020
Insurance funds	3,401.37	2,916.07
(%) of total plan assets	100%	100%

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	**Year ended 31st March, 2021**	Year ended 31st March, 2020
Discount rate	6.93%	6.84%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	6.93%	6.84%
Employee turnover rate	2.00%	2.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity (increase) / decrease in defined benefit obligation (Impact)

(₹ in Lakhs)

Particulars	**Sensitivity level**	**As at 31st March, 2021**	As at 31st March, 2020
Discount rate	1% increase	(257.59)	(253.20)
	1% decrease	303.95	299.44
Salary increase	1% increase	297.68	292.99
	1% decrease	(257.43)	(252.85)
Employee turnover	1% increase	(25.20)	(26.88)
	1% decrease	28.54	30.52

The followings are the expected future benefit payments for the defined benefit plan :

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Within the next 12 months (next annual reporting period)	671.64	658.34
Between 2 and 5 years	864.80	844.76
Beyond 5 years	5,697.20	5,476.26
Total expected payments	**7,233.64**	**6,979.36**

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at 31st March, 2021 Years	As at 31st March, 2020 Years
Gratuity	17	17

The followings are the expected contributions to planned assets for the next year:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Gratuity	147.40	357.67

26. COMMITMENTS AND CONTINGENCIES

a) Leases :-

Operating lease commitments — Group as lessee

The Group has entered into lease contracts for office premises, land, guest house and other properties on lease, with lease terms between one to nine years. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases of office premises, land and other properties with lease terms of 12 months or less with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year.

(₹ in Lakhs)

Particulars	Leasehold land	Office premises	Total
Additions on account of adoption of Ind AS 116 (On 1st April, 2020)	42.57	64.91	107.48
Additions	-	1,102.51	1,102.51
Depreciation expense	3.08	87.52	90.60
As at 31st March, 2020	39.49	1,079.90	1,119.39
Additions during the year	-	-	-
Depreciation and Amortisation Expenses	3.09	138.75	141.84
As at 31st March, 2021	**36.40**	**941.15**	**977.55**

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For the year ended 31st March, 2021 (Contd.)

Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

(₹ in Lakhs)

Particulars	FY 2020-21	FY 2019-20
As at 1st April	1,091.36	81.28
Additions	-	1,060.65
Finance Costs incurred during the year	89.08	57.83
Payments of lease liabilities	(171.46)	(108.40)
As at 31st March	**1,008.98**	**1,091.36**
Current	90.59	82.38
Non-current	918.39	1,008.98

The effective interest rate for lease liabilities is 8.45 %, with maturity between 2021-2026.

The following are the amounts recognised in profit or loss:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation and Amortisation Expenses	141.84	90.60
Interest expense on lease liabilities	89.08	57.83
Expense relating to short-term leases	237.61	250.86
Total amount recognised in statement of profit or loss	468.53	399.29

The Group had total cash outflows for leases of ₹ 171.46 Lakhs (31st March, 2020 ₹ 108.40 Lakhs). The Group also had non-cash additions to right-of-use assets of ₹ Nil Lakhs (31st March, 2020 ₹ 1,209.99 Lakhs) and lease liabilities of ₹ Nil Lakhs (31st March, 2020 ₹ 1,141.93 Lakhs).

b) Contingent Liabilities :-

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
a)	ESI liability (excluding interest leviable, if any)	444.32	424.79
b)	Disputed statutory claims/levies for which the Group has preferred appeal in respect of (excluding interest leviable, if any): Excise/Custom duty (note-i)	494.91	282.13

Note (i) Excise/Custom duty demand comprise various demands from the Excise Authorities for payment of ₹ 494.91 Lakhs (31st March, 2020 ₹ 282.13 Lakhs). The Group has filed appeals against these demands. The Group is confident that the demands are likely to be deleted and accordingly no provision for liability has been recognized in the financial statements.

c) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 3,246.68 Lakhs (31st March, 2020 ₹ 8,421.38 Lakhs).

27. The Group has incurred premium expenses of ₹ 171.62 Lakhs (March 31, 2020, ₹ 129.63 Lakhs) on Key Man Insurance Policy and term plan policy of Chairman and Managing Director, Joint Managing Director and Whole-Time Director, which is included in insurance expenses.

28. During the year ended 31st March, 2020 ₹ 527.54 Lakhs (31st March, 2020 ₹ 903.78 Lakhs) was recognised as an expense for inventories carried at net realisable value.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

29. SEGMENT INFORMATION

The Group is engaged in manufacturing of Steel Tubes and Pipes. Considering the nature of Group's business and operations, as well as based on reviews of operating results by the chief operating decision makers to make decisions about resource allocation and performance measurement, the Group has identified "Steel Tubes and Pipes" as only reportable segment in accordance with the requirements of 'Ind AS 108 - Operating Segments'.

Secondary Reportable Segment (Geographical by Customers) (₹ in Lakhs)

Particulars	In India	Outside India	Total
Segment Revenue			
Year ended 31st March, 2021	**1,74,134.09**	**55,679.06**	**2,29,813.15**
Year ended 31st March, 2020	**(2,07,815.11)**	**(50,752.49)**	**(2,58,567.60)**
Segment Assets			
As at 31st March, 2021	**1,61,770.45**	**3,684.11**	**1,65,454.56**
As at 31st March, 2020	(2,35,409.52)	(6,315.36)	(2,41,724.88)

30. RELATED PARTY DISCLOSURES

As required by Indian Accounting Standard - 24 "Related Parties Disclosures", the disclosure of transactions with related parties are given below :

A Relationships

(a) Key Management Personnel

- Mr. Prakash M. Sanghvi – Chairman and Managing Director
- Mr. Jayanti M. Sanghvi – Joint Managing Director
- Mr. Shanti M. Sanghvi – Whole-time Director
- Mr. Divyabhash C. Anjaria – Director
- Mr. Pravinchandra M. Mehta – Director
- Dr. Vinod M. Agrawal – Director
- Smt. Nidhi G. Gadhecha – Director
- Mr. Vimal Katta – Chief Financial Officer

Mr. Jigar Shah – Company Secretary (Up to December 31, 2020)

Mr. Anil Maloo – Company Secretary (With effect from January 01, 2021)

(b) Relatives of key management personnel

- Mr. Manoj P. Sanghvi (Son of Mr. Prakash M. Sanghvi)
- Mr. Prashant J. Sanghvi (Son of Mr. Jayanti M. Sanghvi)
- Mr. Nilesh P. Sanghvi (Son of Mr. Prakash M. Sanghvi)
- Mr. Jigar P. Sanghvi (Son of Mr. Prakash M. Sanghvi)
- Mr. Yash S. Sanghvi (Son of Mr. Shanti M. Sanghvi)

(c) Enterprises owned or significantly influenced by key management personnel or their relatives

- Ratnamani Food Products Private Limited
- Ratnamani Marketing Private Limited
- Comfit Valves Private Limited
- Ratnamani Techno Casts Private Limited
- Shree Mahavir Education Trust.
- Ratnaflex Engineering Private Limited
- Laxmiraj Distributors Private Ltd.
- Ratanakar Wire Private Ltd.
- Aerolam Decorative LLP
- Metal Udyog (India)

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B The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Rent Expense		
Ratnamani Food Products Private Limited	1.25	19.16
Ratnamani Marketing Private Limited	-	22.24
Purchases of goods		
Ratnaflex Engineering Private Limited	-	6.86
Laxmiraj Distributors Private Ltd.	-	56.84
Ratanakar Wire Private Ltd.	6.02	4.34
Aerolam Decorative LLP	-	0.51
Metal Udyog (India)	0.57	-
Sales		
Comfit Valves Private Limited	8.41	8.57
Ratnamani Techno Casts Private Limited	200.26	246.62
Ratnaflex Engineering Private Limited	58.11	30.27
Ratanakar Wire Private Ltd.	-	6.42
Donation		
Shree Mahavir Education Trust	221.00	160.00
Remuneration to Key Management Personnel and their relatives (excluding commission and sitting fees) (refer note (a) below)	1,017.26	955.49
Commission		
Mr. Prakash M. Sanghvi	1,350.00	1,550.00
Mr. Jayanti M. Sanghvi	810.00	930.00
Mr. Shanti M. Sanghvi	540.00	620.00
Sitting Fees		
Mr. Divyabhash C. Anjaria	5.60	6.00
Dr. Vinod M. Agrawal	5.20	5.60
Mr. Pravinchandra M. Mehta	4.00	4.80
Smt. Nidhi G. Gadhecha	3.60	4.40

Outstanding as at year end	As at 31st March, 2021	As at 31st March, 2020
Receivable		
Comfit Valves Private Limited	1.24	-
Ratnamani Techno Casts Private Limited	45.29	43.07
Ratnaflex Engineering Private Limited	53.36	7.88
Payable		
Ratanakar Wire Private Ltd.	0.34	0.63
Aerolam Decorative LLP	-	0.24
Mr. Prakash M. Sanghvi	1,580.45	1,556.70
Mr. Jayanti M. Sanghvi	949.76	935.26
Mr. Shanti M. Sanghvi	634.16	624.86
Mr. Manoj P. Sanghvi	3.21	2.66
Mr. Prashant J. Sanghvi	2.78	2.28
Mr. Nilesh P. Sanghvi	2.25	2.05
Mr. Jigar P. Sanghvi	1.41	1.26
Mr. Yash S. Sanghvi	0.89	0.84
Mr. Vimal Katta	3.10	3.20
Mr. Anil Maloo	0.92	-
Mr. Jigar Shah	-	0.86

Note (a) : The remuneration to the key managerial personnel does not include the provisions made for gratuity, as it is determined on an actuarial basis for the company as a whole.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2021 and 31st March 2020, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

31. EARNINGS PER SHARE (EPS)

Particulars		Year ended 31st March, 2021	Year ended 31st March, 2020
Profit for the year	(₹ in Lakhs)	27,600.36	30,754.40
Weighted average no. of shares for EPS computation for basic and diluted EPS	(Nos. in Lakhs)	467.28	467.28
Earnings per share (basic and diluted)	(₹)	59.07	65.82
Nominal value of shares	(₹)	2.00	2.00

32. HEDGING ACTIVITIES AND DERIVATIVES

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk. Following are the Derivative instruments at year end not designated as hedging instrument:

Sr. No.	Particulars	31st March, 2021 Amount (₹ in Lakhs)	31st March, 2021 Foreign Currency (in Lakhs)	31st March, 2020 Amount (₹ in Lakhs)	31st March, 2020 Foreign Currency (in Lakhs)	Purpose
1	Forward Contracts (USD Purchase)	8,550.69	USD 115.55	466.09	USD 6.38	Hedging of foreign currency purchase
2	Forward Contracts (EURO Sale)	665.60	EURO 7.27	-	-	Hedging of foreign currency sale

Derivatives designated as hedging instruments

Cash flow hedges

Foreign currency risk:

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedging against principal and interest repayment of external commercial borrowings. The foreign exchange forward contract balances vary with the level of expected foreign currency fluctuations and changes in foreign exchange forward rates.

The Group is holding the following foreign exchange Contracts designated as cash flow hedges:

Sr. No.	Particulars	Maturity Notional Amount (USD in Lakhs)				Purpose
		2021-22	2022-23	2023-24	2024-25	
1	Currency and interest rate swaps	52.13	52.13	52.13	13.02	Hedging of principal and interest repayment of external commercial borrowings.

The impact of the hedging instruments on the balance sheet is as follows:

Sr. No.	Particulars	31st March, 2021 Notional Amount (in Lakhs)	31st March, 2021 Carrying Amount (₹ in Lakhs)	31st March, 2020 Notional Amount (in Lakhs)	31st March, 2020 Carrying Amount (₹ in Lakhs)	Line item in the balance sheet
1	Currency and interest rate swaps	USD 169.41	399.06	USD 208.50	68.36	Other financial liabilities

The impact of the hedging instruments on the statement of profit and loss for the Year Ended 31st March, 2021 is as follows:

Sr. No.	Particulars	Total hedging gain/ (loss) recognised in OCI (₹ in Lakhs)	Ineffectiveness recognised in profit or loss	Cost of hedging recognise in OCI	Amount reclassified from OCI to profit or loss
1	Currency and interest rate swaps	399.06	-	-	-

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For the year ended 31st March, 2021 (Contd.)

The impact of the hedging instruments on the statement of profit and loss for the Year Ended 31st March, 2020 is as follows:

Sr. No.	Particulars	Total hedging gain/ (loss) recognised in OCI (₹ in Lakhs)	Ineffectiveness recognised in profit or loss	Cost of hedging recognise in OCI	Amount reclassified from OCI to profit or loss
1	Currency and interest rate swaps	68.36	-	-	-

33. FINANCIAL INSTRUMENTS, FAIR VALUE MEASUREMENTS, FINANCIAL RISK AND CAPITAL MANAGEMENT

33.1 Category-wise Classification of Financial Instruments:

(₹ in Lakhs)

Particulars	Refer Note	As at 31st March, 2021			
		Fair Value through Consolidated OCI	Fair Value through Consolidated Profit or Loss	Amortised cost	Carrying Value
Financial assets					
Investments in quoted mutual funds	4	-	63,651.31	-	63,651.31
Trade receivables	6	-	-	40,257.31	40,257.31
Cash and cash equivalents	7(a)	-	-	4,364.28	4,364.28
Other balances with banks	7(b)	-	-	2,115.00	2,115.00
Loans	4	-	-	29.98	29.98
Other financial assets	4	-	-	753.61	753.61
Total		**-**	**63,651.31**	**47,520.18**	**111,171.49**
Financial liabilities					
Borrowings	11	-	-	19,719.27	19,719.27
Trade payables	13	-	-	24,233.01	24,233.01
Derivatives	14	399.06	22.60	-	421.66
Lease liabilities	14	-	-	1,008.98	1,008.98
Other financial liabilities	14	-	-	5,242.72	5,242.72
Total		**399.06**	**22.60**	**50,203.98**	**50,625.64**

(₹ in Lakhs)

Particulars	Refer Note	As at 31st March, 2020			
		Fair Value through Consolidated OCI	Fair Value through Consolidated Profit or Loss	Amortised cost	Carrying Value
Financial assets					
Investments in quoted mutual funds	4	-	15,483.64	-	15,483.64
Trade receivables	6	-	-	37,018.34	37,018.34
Cash and cash equivalents	7(a)	-	-	4,678.11	4,678.11
Other balances with banks	7(b)	-	-	12,732.23	12,732.23
Loans	4	-	-	39.50	39.50
Other financial assets	4	-	19.90	1,231.99	1,251.89
Total		**-**	**15,503.54**	**55,700.17**	**71,203.71**
Financial liabilities					
Borrowings	11	-	-	25,153.61	25,153.61
Trade payables	13	-	-	26,395.49	26,395.49
Derivatives	14	68.36	-	-	68.36
Lease liabilities	14	-	-	1,091.36	1,091.36
Other financial liabilities	14	-	-	6,198.26	6,198.26
Total		**68.36**	**-**	**58,838.72**	**58,907.08**

33.2 Category-wise Classification of Financial Instruments:

The financial instruments are categorised in to three levels, based on the inputs used to arrive at fair value measurement as described bellow :

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Inputs based on unobservable market data.

Valuation Methodology

Financial instruments are initially recognised and subsequently re-measured at fair value as described below :

The fair value of investment in quoted Mutual Funds is measured at quoted price/ NAV.

The derivatives are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

(a) Quantitative disclosures fair value measurement hierarchy for financial assets and financial liabilities

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities:

(₹ in Lakhs)

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	Quoted price in active markets (Level 1)	Significant observable Inputs (Level 2)	Total	Quoted price in active markets (Level 1)	Significant observable Inputs (Level 2)	Total
Financial Assets						
Investments in quoted mutual funds (measured at FVTPL)	63,651.31	-	63,651.31	15,483.64	-	15,483.64
Financial Liabilities						
Foreign exchange forward contracts USD (measured at FVTPL)	-	8,550.69	8,550.69	-	466.09	466.09
Foreign exchange forward contracts EURO (measured at FVTPL)	-	665.60	665.60	-	-	-
Foreign exchange USD (measured at FVTOCI) - foreign currency and interest rate swap	-	12,452.16	12,452.16	-	15,717.96	15,717.96

There have been no transfers between Level 1 and Level 2 during the period. There are no instruments covered under Level 3.

(b) Financial Instruments measured at Amortised Cost

The management assessed that cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables, bank overdrafts, investments and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

34. FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities, other than derivatives, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's principal financial assets include Investments, loans given, trade and other receivables and cash & term deposits that derive directly from its operations.

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The Group's activities expose it to market risk, credit risk and liquidity risk. In order to minimise any adverse effects on the financial performance of the group, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency exposures and interest rate swaps to hedge certain variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading / speculative instruments.

The Group's risk management is carried out by the corporate finance under policies approved by the Board of directors. The corporate finance identifies, evaluates and hedges financial risks in close co-operation with the Group's Business Heads. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The corporate finance function reports quarterly to the Company's Audit committee, that monitors risks and policies framed to mitigate risk exposures.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables and derivative financial instruments.

The potential economic impact, due to these assumptions and current situation, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Consolidated Statement of Profit and Loss may differ materially from these estimates due to actual developments in the global financial markets.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with floating interest rates and period of borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowing. In certain cases group enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit and equity for the year ended 31st March, 2021 would (decrease)/increase by ₹ 33.35 Lakhs (31st March, 2020: ₹ 2.82 Lakhs). This is mainly attributable to variable interest rates on long term borrowings.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Group enters into forward exchange contracts to hedge against its foreign currency exposures relating to the recognised underlying assets/liabilities and firm commitments. The Group does not enter into any derivative instruments for trading or speculative purposes.

The carrying amounts of the Group's unhedged foreign currency denominated monetary items are as follows:

(₹ in Lakhs)

Particulars	Liabilities		Assets	
	As at 31st March, 2021	As at 31st March, 2020	**As at 31st March, 2021**	As at 31st March, 2020
USD	15,926.49	14,019.05	5,152.12	9,966.65
EURO	2,910.66	2,423.99	792.70	946.31
JPY	-	1.15	-	-

The above table represents total exposure of the Group towards foreign exchange denominated assets and liabilities. The details of exposures hedged using forward exchange contracts are given as a part of note 32.

The Group is mainly exposed to changes in USD and EURO. The below table demonstrates the sensitivity to a 1% increase or decrease in the USD and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Group as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

(₹ in Lakhs)

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	Year ended 31st March, 2021	Year ended 31st March, 2020	**Year ended 31st March, 2021**	Year ended 31st March, 2020
a) USD Sensitivity				
RUPEES / USD – Increase by 1%	107.81	40.52	107.81	40.52
RUPEES / USD – Decrease by 1%	(107.81)	(40.52)	(107.81)	(40.52)
b) EURO Sensitivity				
RUPEES / EURO – Increase by 1%	20.85	14.78	20.85	14.78
RUPEES / EURO – Decrease by 1%	(20.85)	(14.78)	(20.85)	(14.78)

iii) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and bonds. The Group is exposed to price risk arising mainly from investments in mutual funds recognised at FVTPL. As at 31st March, 2021, the carrying value of such instruments recognised at FVTPL amounts to ₹ 63,651.31 Lakhs (31st March, 2020 ₹ 15,483.64 Lakhs). The details of such investments in mutual funds is given in note 4.

The management expects that the exposure to risk of changes in market rates of these mutual funds is minimal.

(b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

Credit risk arising from trade receivables is managed in accordance with the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

Concentrations of Credit Risk form part of Credit Risk

During the year ended 31st March, 2021, sales to a customer approximated ₹ 14,843.96 lakhs (or 6.46 % of net revenue) and during the year ended 31st March 2020, sales to such customer approximated ₹ 44,929.56 lakhs (or 17.39 % of net revenue). Accounts receivable from such customer approximated ₹ 602.77 lakhs (or 1.50% of total receivables) at 31st March, 2021 and ₹ 3,378.06 lakhs (or 9.13% of total receivables) at 31st March, 2020. A loss of this customer could significantly affect the operating results or cash flows of the Company.

The Group generally extends a credit period of 0 to 180 days.

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The reconciliation of ECL is as follows :

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	224.67	209.65
Add: Allowance for the year based on ECL	(120.89)	38.80
Less: Utilisation for the year based on ECL	(78.12)	(23.78)
Total provision based on ECL	**25.66**	**224.67**

(c) Liquidity Risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including, debt and overdraft / credit facilities from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual payments:

(₹ in Lakhs)

Particulars	Carrying amount	Less than 1 year	1 to 5 years	More than 5 year	Total
Year ended 31st March, 2021					
Interest bearing borrowings*	19,719.27	6,517.04	16,447.26	-	22,964.30
Trade payables	24,233.01	24,233.01	-	-	24,233.01
Derivatives	421.66	22.60	399.06	-	421.66
Finance lease obligation	1,008.98	90.59	655.83	262.56	1,008.98
Other financial liabilities	5,265.32	5,265.32	-	-	5,265.32
Year ended 31st March, 2020					
Interest bearing borrowings*	25,153.61	9,305.90	19,315.60	1,491.94	30,113.44
Trade payables	26,395.49	26,395.49	-	-	26,395.49
Derivatives	68.36	-	68.36	-	68.36
Finance lease obligation	1,091.36	82.38	622.13	386.85	1,091.36
Other financial liabilities	6,198.26	6,198.26	-	-	6,198.26

* The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.

35. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The Group estimates the amount of capital required on the basis of annual business and long term operating plans which includes capital and other strategic investments. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

As at 31st March, 2021, the Group meets its capital requirement through equity and borrowings from banks. The Group monitors its capital and debt on the basis of debt to equity ratio.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

The debt equity ratio of the reporting period is as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Borrowings	19,719.27	25,153.61
Total Equity	1,98,756.02	1,70,915.58
Debt Equity Ratio	0.10	0.15

The Group's capital management amongst other things, aims to ensure that it meets financials covenants attached to borrowings.

36. STATUTORY GROUP INFORMATION

(₹ in Lakhs)

Name of the entity in the Group	Net Assets (i.e. total assets minus total liabilities)		Share in profit / (loss)		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	INR Lakhs	As % of consolidated profit / (loss)	INR Lakhs	As % consolidated other Comprehensive income	INR Lakhs	As % consolidated other Comprehensive income	INR Lakhs
Parent Company								
Ratnamani Metals & Tubes Limited								
Balance as at 31 March 2021	99.95%	1,98,647.13	99.96%	27,589.98	100.00%	240.08	99.96%	27,830.06
Balance as at 31 March 2020	99.94%	1,70,814.28	99.98%	30,749.68	100.00%	(283.96)	99.98%	30,465.72
Subsidiary Company								
Foreign								
Ratnamani INC USA								
Balance as at 31 March 2021	0.05%	108.89	0.04%	10.38	-	-	0.04%	10.38
Balance as at 31 March 2020	0.06%	101.30	0.02%	4.72	-	-	0.02%	4.72
Total								
Balance as at 31 March 2021	100.00%	1,98,756.02	100.00%	27,600.36	100.00%	240.08	100.00%	27,840.44
Balance as at 31 March 2020	100.00%	1,70,915.58	100.00%	30,754.40	100.00%	(283.96)	100.00%	30,470.44

37. IMPACT ASSESSMENT ON COVID-19 OUTBREAK

On March 24, 2020, the Government of India ordered a nationwide lockdown to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions including conditions in India because of this pandemic, the Group, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Group. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets are fully recoverable. The Group believes that impact of COVID-19 on the Group's financial statement is not material.

38. The code of Social Security, 2020 ('Code') relating to employee benefits during the employment and post-employment received Presidential assent in September 2020 and its effective date Is yet to be notified. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13th November, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the financial impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2021 (Contd.)

39. EVENTS AFTER THE REPORTING PERIOD

The Group evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 2nd June, 2021, other than those disclosed and adjusted elsewhere in these financial statements, there were no further subsequent events to be reported or recognised.

40. Figures of previous year's have been regrouped, wherever considered necessary to make them comparable to current year's figures.

As per our report of even date

For S R B C & CO LLP Chartered Accountants ICAI Firm Registration No: 324982E/E300003	**For KANTILAL PATEL & CO** Chartered Accountants ICAI Firm Registration No: 104744W	**For and on behalf of** **RATNAMANI METALS & TUBES LIMITED**	
per PRITESH MAHESHWARI Partner Membership No. 118746	**per JINAL A. PATEL** Partner Membership No. 153599	**P. M. SANGHVI** Chairman and Managing Director DIN : 00006354	**J. M. SANGHVI** Joint Managing Director DIN : 00006178
Place : Mumbai Date : 2nd June, 2021	Place : Ahmedabad Date : 2nd June, 2021	**VIMAL KATTA** Chief Financial Officer	**ANIL MALOO** Company Secretary

NOTICE

Notice is hereby given that the 37th Annual General Meeting of **RATNAMANI METALS AND TUBES LIMITED** will be held on Monday, 27th September, 2021 at 10:00 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   (a) the audited Standalone Financial Statements of the Company for the financial year ended on 31st March, 2021, together with the Reports of the Board of Directors and Auditors thereon by passing the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2021, the Auditors' Report and the Board's Report thereon be and are hereby considered and adopted."

   (b) the audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2021 and the Report of the Auditors thereon by passing the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2021 and the Auditors' Report thereon be and is hereby considered and adopted."

2. To declare Dividend on Equity Shares for the financial year ended on 31st March, 2021 and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT a dividend at the rate of ₹14/- (Rupees: Fourteen only) per equity share of ₹2/- (Rupees: Two) each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended 31st March, 2021 and the same be paid out of the profits of the Company for the financial year ended on 31st March, 2021."

3. To appoint a Director in place of Shri Jayanti M. Sanghvi (DIN: 00006178), who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** Shri Jayanti M. Sanghvi (DIN: 00006178), Director of the Company who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation."

4. To note completion of the second term of M/s. S R B C & Co., LLP, Chartered Accountants as Statutory Auditors and continuation of M/s. Kantilal Patel & Co. as Sole Statutory Auditors and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to Section 139(2), 139(9) & 139(10) and 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s. S R B C & Co., LLP, Chartered Accountants, (FRN 324982E/E300003) on completion of 2 terms and retiring at the 37th AGM of the Company be not considered for Re-appointment and that M/s. Kantilal Patel & Co., Chartered Accountants, Ahmedabad (FRN 104744W) continue to act as Statutory Auditors (Sole Auditors) of the Company for the Financial Year 2021-22 and for the remaining tenure of their term at such remuneration plus applicable taxes and reimbursement of out-of-pocket expense, travelling and other expenses incurred in connection with the Audit by them, as may be decided by the Board of Directors based on the recommendations of the Audit Committee."

SPECIAL BUSINESS:

5. To ratify the Remuneration payable to the Cost Auditors of the Company for the financial year ending on 31st March, 2022 and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad, having Firm Registration No.000028, being the Cost Auditors appointed by the Board of Directors of the Company to conduct the Cost Audit for the financial year ending on 31st March, 2022, be paid ₹1,20,000/- plus applicable taxes, reimbursement of travelling and out-of-pocket expenses incurred by them in connection with aforesaid audit as remuneration."

6. Approval for continuance of Directorship of Shri Divyabhash C. Anjaria (DIN: 00008639), Non-Executive Independent Director of the Company having attained the age of 75 years or more and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolutions as a Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, as amended from time to time and subject to such approvals, consents, permissions, terms and conditions, if any, as may be considered necessary from the appropriate authorities, consent of the Members be and is hereby accorded for continuance of the Directorship of Shri Divyabhash C. Anjaria (DIN: 00008639), Non-Executive Independent Director of the Company, who will attain the age of 75 years during his continuance in the Office of Directorship of the Company, shall hold office till the conclusion of 39th Annual General Meeting of the Company to be held in the Calendar year 2023, on the existing terms and conditions, subject to the provisions, rules and regulations of Companies Act, 2013 and/or SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and/or approval of any other appropriate authorities, as may be applicable and as amended from time to time.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to undertake all other activities as may be incidental or expedient in this regard."

7. Issuance of Redeemable Non-Convertible Debentures/ Bonds by way of private placement and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolutions as a Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable SEBI regulations and guidelines, Foreign Exchange Management Act and RBI Guidelines, the Memorandum of Association and the Articles of Association of the Company and any statutory modifications, re-enactments or amendments from time to time to the above mentioned regulations and rules and clarifications issued thereon from time to time and subject to other applicable laws, rules, regulations, guidelines, notifications and circulars issued by various competent authorities / bodies, whether in India or abroad, the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any Committee thereof which the Board may have constituted to exercise its powers including the powers conferred by this Resolution) of the Company, to offer or invite subscriptions, raise funds through Private Placement of Unsecured / Secured Redeemable Non-Convertible Debentures / Bonds ("NCDs") in one or more series / tranches for an amount not exceeding ₹ 500.00 Crore (Rupees Five Hundred Crore) on private placement to such eligible investors, institutions, banks, incorporated bodies, mutual funds, venture capital funds, Qualified Institutional Buyers, financial institutions, individuals, trustees, stabilizing agents or otherwise and whether or not such investors are members of the Company during the period of one year from the date of passing of resolution by the members on such terms and conditions as the Board may from time to time determine proper and beneficial to the Company, provided that the said borrowings shall be within the overall borrowing limits of the Company.

   RESOLVED FURTHER THAT for the purpose of giving effect to any offer, invitation, issue or allotment through private placement of NCDs, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalizing the form / placement documents / offer letter, timing of the issue(s), including the class of investors to whom the NCDs are to be allotted, number of NCDs to be allotted in each tranche, issue price, redemption, rate of interest, redemption period, allotment of NCDs, appointment of lead managers, arrangers, debenture trustees and other agencies, entering into arrangements for managing the issue, issue placement documents and to sign all deeds, documents and writings and to pay any fees, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all act and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto and also delegate all or any of the powers in aforesaid matters to the officials of the Company, in such manners as the Board may in its absolute discretion deem fit."

8. Payment of Commission to non-executive Directors of the Company and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolutions as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 197 and any other applicable provisions of the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Regulation 17(6) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the consent of the members of the Company, be and is hereby accorded for the payment of commission from the financial years commencing from 1st April, 2021 to the Non-Executive Directors (including Independent Directors) (i.e., Directors other than the Managing Director and/or Whole Time Directors) within the overall maximum limit of 0.50% (one half percent) per annum of the net profits of the Company for that financial year computed in accordance with the provisions of Section 198 of the Act or such other percentage as may be specified by the Act from time to time in this regard.

RESOLVED FURTHER THAT the above commission shall be in addition to fees payable to the Director(s) for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings."

Registered Office:
17, Rajmugat Society,
Naranpura Char Rasta,
Ankur Road, Naranpura,
Ahmedabad - 380 013
CIN : L70109GJ1983PLC006460
Date: 2nd June, 2021

By Order of the Board
For, **Ratnamani Metals & Tubes Limited**

Anil Maloo
Company Secretary

NOTES:

1. In view of the continuing COVID-19 pandemic, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 5th May, 2020 and Circular No.02/2021 dated 13th January, 2021 prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said circulars, the 37th Annual General Meeting (AGM) of the members will be held through VC/OAVM only. The Corporate Office of the Company shall be deemed to be the venue for the AGM. The facility of VC or OAVM and also casting votes by a member using remote e-voting as well as venue voting system on the date of the AGM will be provided by CDSL. The framework prescribed by MCA in said circulars would be available to the members for effective participation in the following manner:

    a. The Company is convening 37th Annual General Meeting (AGM) through VC / OAVM and no physical presence of members, directors, auditors and other eligible persons shall be required for this annual general meeting.

    b. The Members can join the AGM through the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

    c. In compliance with the above mentioned MCA Circulars and SEBI Circulars dated 12th May, 2020 and 15th January, 2021, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.ratnamani.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com.

    d. The Company is providing two way VC facility through webex for the ease of participation of the members. Link for joining the meeting is given separately.

    e. Pursuant to the Circular No.14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs and SEBI Circulars dated 12th May, 2020 and 15th January, 2021, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives by sending a scanned copy of its Board Resolution to the Scrutinizer by email through its registered email address to mcguptacs@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com for attending the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

    f. Participants i.e. Members, Directors, Auditors and other eligible persons to whom this notice is being circulated are allowed to submit their queries / questions etc. before the general meeting in advance on the e-mail address of the Company at id: investor@ratnamani.com. Further, queries / questions may also be posed concurrently during the general meeting at the above given email Id.

    g. Members, Directors, Auditors and other eligible persons to whom this notice being circulated can attend this annual general meeting through video conferencing at least 15 minutes before the schedule time and shall be closed after expiry of 15 minutes from the scheduled time.

    h. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

2. Process for those members whose email ids are not registered:

    The Members are requested to update and register their email addresses with their DPs or RTA, as the case may be, to enable the Company to send communications including Notices, Annual Reports, Circulars, etc. through electronic mode. Therefore, the Members may register their Email addresses and Bank details by following below process:

Physical Holding	By clicking on the below link, the Member may register his / her email address, mobile number and bank details: https://web.linkintime.co.in/EmailReg/Email_Register.html
	After clicking the above link, the Members will have to fill the relevant details in the respective fields and attach self-attested copy of PAN, address proof and cancelled cheque leaf.
Demat Holding	By clicking on the below link, the Member may temporarily register his / her email address and mobile number: https://web.linkintime.co.in/EmailReg/Email_Register.html
	For registration of bank details and for permanent updation of email address, mobile number, the Member may contact their respective DPs and update the same with their respective DPs and the same would be effective across all their shareholdings.

3. The Explanatory Statement setting out the material facts pursuant to Section 102 (1) of the Companies Act, 2013 ("the Act") concerning the Special Businesses in the Notice is annexed hereto and forming part of this Notice. The profile of the Directors seeking continuation under Regulation 17 (1A), as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also given in the Explanatory Statement itself.

4. In case of joint holders attending the Meeting, only such Joint holder who is higher in the order of names will be entitled to vote.

5. All the documents referred to in the accompanying Notice and Explanatory Statements are available for inspection by the members at the Registered Office of the Company on all working days during normal business hours between 10.00 A.M. to 5.00 P.M. up to the date of the Annual General Meeting. Further, such documents will be also available for inspection by members at the AGM.

6. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 21st September, 2021 to Monday, 27th September, 2021 (both days inclusive) for determining the entitlement of the members for the purpose of payment of dividend and 37th Annual General Meeting.

7. The dividend, if declared, would be paid after the conclusion of the AGM to those Members whose names appear in the Register of Members of the Company maintained by Registrar and Share Transfer Agent (RTA) and the Register of Beneficial Owners maintained by the Depositories under Section 11 of the Depositories Act, 1996, at the end of the business hours on Monday, 20th September, 2021.

8. The Final dividend, if declared at AGM, payment of such dividend will be made on or before 26th October, 2021, subject to deduction of tax at source.

9. Members are requested to send their Bank Account particulars (viz. Account No., Name and Branch of the Bank and the MICR Code) in the updation form which is available in the Company's website at www.ratnamani.com to their Depository Participants in case the shares are held in electronic mode or to the Registrar and Transfer Agent in case the shares are held in physical mode. It will be also useful for Direct Credit/NACH/ECS and also for printing the Bank Account details on the dividend warrant so that there are no fraudulent encashment of the warrants. Therefore, Members are requested to send their updation form immediately.

10. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions set out in this notice are being conducted through E-Voting, the said resolutions will not be decided on show of hands at the Annual General Meeting.

11. In terms of provisions of Section 124 of the Companies Act, 2013, the amount of dividend not encashed or claimed within 7 (Seven) consecutive years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund ("IEPF") established by the Government. The Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company as on 27th August, 2020 (date of the last Annual General Meeting) on the website of the Company (www.ratnamani.com) also on the website of the IEPF (www.iepf.gov.in).

12. Members are requested to note that the dividends not encashed for a period of 7 (Seven) consecutive years from the date of transfer to the Company's Unpaid

Dividend Account shall be transferred to the Investors Education and Protection Fund ("IEPF"). The details of the Unpaid Dividend lying with the Company are as follows:

(₹ in Lakhs)

Date of Declaration	Financial Year	Due for Transfer to IEPF on	Unpaid Amount (as on 31st March, 2021)	Total Dividend Amount Declared (excluding DDT)	% of unpaid dividend amount to total dividend amount
11th September, 2014	2013-2014	10th October, 2021	13.66	2,100.76	0.65
23rd September, 2015	2014-2015	22nd October, 2022	16.02	2,570.04	0.62
12th March, 2016	2015-2016	11th April, 2023	22.39	2,570.04	0.87
12th September, 2017	2016-2017	11th October, 2024	21.47	2,570.04	0.84
9th August, 2018	2017-2018	8th August, 2025	16.14	2,803.68	0.58
9th August, 2019	2018-2019	8th August, 2026	21.35	4,205.52	0.51
5th March, 2020	2019-2020	4th April, 2027	40.02	5,607.36	0.71

Members are requested to note that pursuant to the provisions of Section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended, all shares on which dividend has not been paid or claimed for 7 (Seven) consecutive years or more, are required to be transferred to an IEPF Authority. The Company has sent intimation to all such Members who have not claimed their dividend for 7 (Seven) consecutive years. During the FY 2020-21, the Company had transferred 19,320 Equity Shares to the Investor Education and Protection Fund Authority. Further, the unclaimed dividend in respect of F.Y. 2013-14 must be claimed by members on or before 10th October, 2021, failing which the Company will be transferring the unclaimed dividend and the corresponding shares to the IEPF Authority within a period of 30 days from the said date. The Members thereafter need to claim their shares from IEPF Authority by filing IEPF Form-5 and by following such procedures as prescribed therein.

13. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of members w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to members at the prescribed rates. For the prescribed rates for various categories, the members are requested to refer to the Finance Act, 2020 and amendments thereof.

    The Company had also published an advertisement for the detailed instructions for Deduction of Tax at Source (TDS) on the dividend payment during the Financial Year 2021-22 and Updation of their PAN, Email Address and Bank Account details in the Financial Express, English Edition and Financial Express, Gujarati Edition on 28th June, 2021 and the same is also uploaded on the website of the Company at www.ratnamani.com and on the website of BSE Limited ("BSE") at www.bseindia.com and National Stock Exchange of India Limited ("NSE") at www.nseindia.com.

14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to our Registrar & Transfer Agent i.e. Link Intime India Private Limited in case the shares are held by them in physical form.

15. As per Regulation 40 of SEBI (LODR) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Private Limited for assistance in this regard.

16. If a member has queries on "Accounts, Operations and Finance" of the Company, the same may be sent to the Company by them at least 7 days before the Annual General Meeting so that the answers are readily available at the AGM.

17. Kindly quote your Ledger Folio Number / Client I.D. / DP ID Number in all your future correspondence.

18. Pursuant to the provisions of Section 72 of the Companies Act, 2013, members of the Company have an option to nominate any person as their nominee to whom their shares shall vest in the unfortunate event of death of Member. It is advisable to avail this facility, especially by the Members who currently hold shares in their single name. Nomination can avoid the process of acquiring any right in shares through transmission by law. In case of nomination for the shares held by the joint holders, such nomination will be effective only on death of all the holders. In case the shares are held in dematerialized form, the nomination form needs to be forwarded to Depository Participants (DPs).

19. The Company has appointed Link Intime India Private Limited as its Registrar and Transfer Agent. Therefore, all the Members of the Company are requested to correspond directly to the R.T.A. at the following addresses in the matters relating to transmission of shares, unclaimed dividend, change of address, duplicate of shares and dematerialization of shares etc.

RTA's REGISTERED OFFICE ADDRESS	RTA's AHMEDABAD BRANCH ADDRESS
M/s. Link Intime India Private Limited Unit: Ratnamani Metals & Tubes Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083. Tel. No. – (022) 49186000 Fax No. – (022) 49186060 E-mail: rnt.helpdesk@linkintime.co.in	M/s. Link Intime India Private Limited Unit: Ratnamani Metals & Tubes Limited 5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC – 1), Besides Gala Business Centre, Nr. St. Xavier's College Corner, Off C. G. Road, Navrangpura, Ahmedabad – 380 009. Tel No. 079-26465179 Email : ahmedabad@linkintime.co.in

If shares are held in electronic form by the members, than change of address, change in bank Accounts and change in e-mail ID etc. should be furnished to their respective Depository Participants (DPs).

20. **Appeal to Members:**

The Company would like to appeal to its members to hold their shares in Dematerialized (Demat) form. Managing your investment in securities is simple and easy in Demat/Electronic form and it has many advantages over managing it in physical form as there is no scope of loss, misplacement, theft or deterioration of securities in Demat form. The members may get in touch with the Link Intime India Private Limited at ahmedabad@linkintime.co.in, our Registrar and Transfer Agent or the Company Secretary of the Company at investor@ratnamani.com for any query relating to Demat.

21. Non-Resident Indian Members are requested to inform the Link Intime India Private Limited, immediately of:

a. Change in their residential status on return to India for permanent settlement.

b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

22. Securities and Exchange Board of India ("SEBI") has made it mandatory for every participant in the securities / capital market to furnish Income Tax Permanent Account Number (PAN). Accordingly, all the members are requested to submit their Permanent Account Number along with photocopy of both the sides of the PAN Card duly attested, as under:

- Members holding shares in electronic form are requested to furnish their PAN to their Depository Participant with whom they maintain their account along with documents as required by them.

- Members holding shares in physical form are requested to submit photocopy of the PAN Card of all the holders including joint holders duly attested by Notary Public/Gazette Officer/Bank Manager under their official seal and with full name and address either to the Company's Registered Office or at the office of its Registrar and Transfer Agent at the address mentioned above.

23. Ratnamani Engineering Limited ("REL") was amalgamated with Ratnamani Metals & Tubes Limited ("RMTL") as per the scheme approved by the Honorable High Court of Gujarat in the year 1998. Accordingly, RMTL has allotted shares to the members of REL. It is noticed that some members have yet not exchanged their old share certificates of REL. Such members are requested to get the same exchanged for new RMTL share certificates.

24. The Members who are holding shares having a face value of ₹10/- each are requested to send the original

share certificates of ₹10/- each to the Company or the Registrar and Transfer Agent of the Company for exchange of share certificates of ₹2/- each.

25. Voting:-

All persons whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date i.e. Monday, 20th September, 2021 only shall be entitled to vote at the General Meeting by availing the facility or remote e-voting at the General Meeting.

Voting through Electronic Means:

a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 31st December, 2020 and 13th January, 2021, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the A.G.M. For this purpose, the Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorised e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the A.G.M. will be provided by CDSL.

b) A member may exercise his vote at any general meeting by electronic means and Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (LODR) Regulations, 2015 read with the MCA circulars.

c) During the remote e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on the cut-off date i.e. Monday, 20th September, 2021, may cast their vote electronically. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date.

d) The voting period begins on Friday, 24th September, 2021 (10.00 A.M.) and ends on Sunday, 26th September, 2021 (5.00 P.M.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Monday, 20th September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 P.M. on Sunday, 26th September, 2021.

e) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting.

f) The facility for voting, through electronic voting system, shall also be made available during the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

g) Process regarding remote e-voting and e-voting during the meeting, and attending the meeting through VC / OAVM:

A. For Individual Members holding shares in Demat mode:

a) In terms of the SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, the Individual Members holding securities in demat mode are required to vote through their demat account maintained with Depositories and DPs. Members are advised to update their mobile number and email address with their DPs in order to access e-voting facility.

b) Login method

Member having Demat account With	Login Method
CDSL	**CDSL Easi / Easiest facility** If Members are already registered for Easi / Easiest facility: 1. Visit web page of Easi by https://web.cdslindia.com/myeasi/home/login. 2. Member will have to enter their existing "USER NAME" and "PASSWORD". After successful authentication, the Member will be able to see "E-VOTING" menu. 3. On clicking the "E-VOTING" menu, the Member will be able to see the e-voting page. 4. Click on options available against the Company name or E-voting Service Provider (ESP) – CDSL and the Member will be redirected to e-voting website of CDSL for casting vote before and during the meeting and joining the meeting. **If Members are not registered for Easi / Easiest facility:** 1. Visit the web page at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 2. Enter 16 digit "DEMAT ACCOUNT NUMBER" and "PASSWORD" as: "PAN" and first 4 digits of the "DOB" (DDMM) of first holder. 3. Tick check box of "TERMS AND CONDITIONS" and click on "CONTINUE". 4. "OTP" will be sent on the registered mobile number of Member. 5. Enter the "OTP" and click on "CONTINUE". 6. Registration form will appear, fill the form to create "USER NAME" and "PASSWORD" and answer to secrete question and click on "CONTINUE". 7. Upon successful registration, please follow steps given in points 1 to 4 above (Members are already registered for Easi / Easiest facility). **E-voting website of CDSL** 1. Visit e-voting website of CDSL at www.cdslindia.com. 2. Select "E-VOTING" and enter "DEMAT ACCOUNT NUMBER" and "PAN". 3. System will authenticate Member, by sending "OTP" on registered mobile & email as recorded in the Member's Demat Account. 4. After successful authentication, the Members will be able to see the e-voting page. 5. Click on options available against the Company name or ESP – CDSL and the Member will be redirected to e-voting website of CDSL for casting vote before and during the meeting and joining the meeting.
NSDL	**NSDL IDeAS Facility** If Members are already registered for IDeAS facility: 1. Visit e-Services website of NSDL at https://eservices.nsdl.com. 2. On homepage of e-Services, click on "BENEFICIAL OWNER" under "LOGIN", available under "IDeAS" section. 3. A new screen will open. Enter "USER ID" and "PASSWORD". After successful authentication, the Member will be able to see e-voting services. 4. Click on "ACCESS TO E-VOTING" under e-voting services and the Member will be able to see e-voting page. 5. Click on options available against the Company name or ESP – CDSL and the Member will be re-directed to CDSL e-voting website for casting vote before and during the meeting and joining the meeting. **If Members are not registered for IDeAS e-Services:** 1. Visit the web page at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 2. Enter 8-character "DP ID" followed by 8-digit "CLIENT ID" and registered mobile number. 3. Select any of the following options for verification of demat account: i. Option 1: Bank account – enter last 4 digit of bank account. ii. Option 2: OTP – enter 6 digit OTP sent on registered mobile number. 4. Fill your personal information and click on "SUBMIT". 5. Upon successful registration, please follow steps given in points 1 to 5 above (Members are already registered for IDeAS facility). **E-voting website of NSDL** 1. Visit e-voting website of NSDL at https://www.evoting.nsdl.com/. 2. On homepage of e-voting system, click on "LOGIN" icon, available under "SHAREHOLDER / MEMBER" section. 3. A new screen will open and the Member will have to enter "USER ID" (i.e. 8-character "DP ID" followed by 8-digit "CLIENT ID") and "PASSWORD" / "OTP" and a verification code as shown on the screen. 4. After successful authentication, the Member will be able to see e-voting page. 5. Click on options available against the Company name or ESP – CDSL and the Member will be redirected to e-voting website of CDSL for casting vote before and during the meeting and joining the meeting.

Member having Demat account With	Login Method
Logging through their DPs	1. Member can login using the "LOGIN CREDENTIALS" of Demat account through their DPs registered with NSDL / CDSL for e-voting facility. 2. After successful login, the Members will be able to see "E-VOTING OPTION". Once the Member clicks on "E-VOTING OPTION", he / she will be redirected to NSDL / CDSL Depository site. 3. After successful authentication, the Member will be able to see e-voting page. 4. Click on option available against the Company name or ESP- CDSL and the Member will be redirected to e-voting website of CDSL for casting vote before and during the meeting and joining the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and / or Forget Password option available at above mentioned websites.

c) Casting vote electronically on CDSL e-voting system

1. After successfully logging by following the above process, the Members will be able to see EVSN of all companies in which they hold shares and whose voting cycle is active.

2. Click on "EVSN" for "RATNAMANI METALS & TUBES LIMITED".

3. On the voting page, the Member will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select option "YES / NO" as desired. Option YES implies assent to the resolution and option NO implies dissent to the resolution.

4. Click on "RESOLUTIONS FILE LINK" if the Member wishes to view the entire resolution details.

5. After selecting the resolution, click on "SUBMIT". A confirmation box will be displayed. If the Member wishes to confirm, click on "OK", else to change, click on "CANCEL" and accordingly modify your vote.

6. Once the Member "CONFIRM" his / her vote on the resolution, he / she will not be allowed to modify.

7. Member can also take a print of the votes cast by clicking on "CLICK HERE TO PRINT" option on voting page.

Helpdesk for the Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542-43.
NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no: 18001020990 and 1800224430

B. For the Members, other than the Individual Members holding shares in demat mode and the Members holding shares in Physical mode.

a. Visit the e-voting website at www.evotingindia.com.

b. Click on "SHAREHOLDERS".

c. Enter your User ID

   i. For CDSL: 16 digits beneficiary ID,

   ii. For NSDL: 8 character DP ID followed by 8 digits Client ID,

   iii. Members holding shares in physical form should enter Folio Number registered with the Company.

d. Enter Image verification as displayed and click on "LOGIN".

e. If Non-individual Members are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then their existing password is to be used.

f. If the Member is a first-time user follow the steps given below:

For the Non-individual Members holding shares in Demat Form and the other Members holding shares in Physical Form	
PAN	Enter 10 digit alpha-numeric "PAN" (applicable for both demat as well as physical Members) • Members who have not updated their PAN with the Company / DPs are requested to use sequence number indicated in PAN field of email sent to them. • Members who have not registered their email address may obtain sequence number from the Company after registering their email address as per process defined in Note No. 2.
Dividend Bank details OR Date of Birth (DoB)	Enter the "DIVIDEND BANK DETAILS" or "DOB" (in dd/mm/yyyy format) as recorded in the Member's demat account or in the Company records in order to login. • If both the details are not recorded with the DPs or Company please enter "MEMBER ID / FOLIO NUMBER" in Dividend Bank details field as mentioned in instruction (c).

g. After entering these details appropriately, click on "SUBMIT" tab.

h. Members holding shares in physical form will then directly reach the Company selection screen. However, the Non-Individual Members holding shares in demat form will now reach "PASSWORD CREATION" menu wherein they are required to mandatorily enter their login password in new password field.

   Kindly note that this password is also to be used by Non-individual demat holders for voting for resolutions of any other Company on which they are eligible to vote. It is strongly recommended not to share password with any other person and take utmost care to keep password confidential.

i. For the Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

j. Click on "EVSN" for "RATNAMANI METALS & TUBES LIMITED" on which the Member chooses to vote.

k. On the voting page, the Member will see "RESOLUTION DESCRIPTION" and against the same; option "YES / NO" for voting. Select option "YES / NO" as desired. The option YES implies, assent to the resolution and the option NO implies dissent to the resolution.

l. Click on the "RESOLUTIONS FILE LINK" if the Member wishes to view the entire resolution details.

m. After selecting the resolution, click on "SUBMIT". A confirmation box will be displayed. If the Member wishes to confirm, click on "OK", else to change vote, click on "CANCEL" and accordingly, modify vote.

n. Once the Member "CONFIRM" his / her vote on the resolution, he / she will not be allowed to modify.

o. Member can also take a print of votes cast by clicking on "CLICK HERE TO PRINT" option on voting page.

p. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

C. Facility for Non – Individual Shareholders and Custodians – Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen

signature of the duly authorised signatory who are authorised to vote, to the Scrutinizer and to the Company at the email address viz; investor@ratnamani.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case of any queries or issues regarding e-voting, Member may refer the Frequently Asked Questions ('FAQs') and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or call on 022-23058738 and 022-23058542/43.

General Guideline for attending the meeting through VC / OAVM and e-voting on the day of AGM:

a) Procedure for attending AGM and e-voting on the day of AGM will remain same as the instructions mentioned above.

b) The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

c) The Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.

d) Members are encouraged to join the meeting through Laptops / Desktops for better experience. Further, the Members will be required to allow camera and use Internet with good speed to avoid any disturbance during the meeting.

e) Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

f) Only those Members, who will be present in AGM through VC / OAVM facility and have not casted their vote on the resolutions through remote e-voting prior to meeting day and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during AGM.

g) If any votes are casted by the Members through e-voting available during AGM and if the same Members have not participated in the meeting through VC / OAVM facility, then the votes casted by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members participating in the meeting.

h) Members who have voted through remote e-voting prior to the meeting day will be eligible to attend AGM. However, they will not be eligible to vote during AGM.

i) Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor@ratnamani.com. The members who do not wish to speak during the AGM but have queries may send the same in advance at least 7 days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at investor@ratnamani.com. These queries will be replied to by the Company suitably by email.

j) Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

26. Shri Mahesh Gupta, Practicing Company Secretary holding Certificate of Practice No.1028 has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than 48 hours from the conclusion of meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.

27. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ratnamani.com and on the website of CDSL i.e. www.cdslindia.com within three days of the passing of the Resolutions at the 37th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

28. Since the 37th AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

Annexure to the Notice

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all the material facts relating to the Ordinary Business under Item No.4 and the Special Businesses under Item Nos. 5 to 8 of the accompanying Notice dated 2nd June, 2021.

ITEM NO.4

Pursuant to the provisions of Section 139(2), 139(9), 139(10) and 142 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the second term of M/s. S R B C & Co., LLP, Chartered Accountants (Firm Registration No.: 324982E/E300003) as the Joint Statutory Auditors of the Company expires at the conclusion of the 37th Annual General Meeting of the Company.

Looking to the current overall economic scenario, the Audit Committee at its meeting held on 1st June, 2021 and the Board of Directors at its meeting held on 2nd June, 2021, decided to continue with M/s. Kantilal Patel & Co., Chartered Accountants, Ahmedabad as the sole Statutory Auditors of the Company for the financial year 2021-22 onwards. The Board decided not to propose appointment of any other firm as Joint Statutory Auditors, in place of M/s. S R B C & Co., LLP, Chartered Accountants, the retiring Joint Auditors of the Company.

None of the Directors and/or Key Managerial personnel of the Company and their relatives are concerned or interested, financially, or otherwise, in the resolution set out at Item No.4 of the accompanying Notice.

The Board recommends the Ordinary Resolution set out at Item No.4 of the Notice for approval by the Shareholders.

ITEM NO.5

As per the provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint Cost Accountant in practice, as the Cost Auditors on the recommendation of the Audit Committee. The remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified by the Members of the Company.

On the recommendation of the Audit Committee in its meeting held on 1st June, 2021, the Board of Director at its meeting held on 2nd June, 2021 has considered and approved the re-appointment of M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad, having Firm Registration No.000028 as the Cost Auditors of the Company, to conduct the Cost Audit of the Company for the financial year 2021-22 at a remuneration as mentioned in the resolution for this item of the Notice.

None of the Directors and/or Key Managerial personnel of the Company and their relatives are concerned or interested, financially, or otherwise, in the resolution set out at Item No.5 of the accompanying Notice.

The Board recommends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the Shareholders.

ITEM NO.6

Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires that any Non-Executive Director who has attained the age of 75 years cannot be appointed or continued as a Non-Executive Director in any listed Company until and unless approval of the Members have been obtained by way of special resolution.

Shri Divyabhash C. Anjaria (DIN: 00008639), was appointed as an Independent Director on the Board of the Company who is not liable for retire by rotation as per Companies Act, 2013 pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of SEBI (LODR) Regulations, 2015. He holds office as an Independent Director of the Company till the conclusion of 39th Annual General Meeting of the Company to be held in the Calendar year 2023, pursuant to the Special resolution passed at the Annual General Meeting held on 9th August, 2018 ("Second term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

Shri Divyabhash C. Anjaria is presently aged 74 years and will attain the age of 75 years during his continuance in the Office of Directorship of the Company, till the conclusion of 39th Annual General Meeting of the Company to be held in the Calendar year 2023, therefore, the Company is required to obtain approval of the Shareholders by way of Special Resolution for his continuation as a Non-Executive Independent Director.

Considering the rich experience, expertise, qualifications and active contribution of Shri Divyabhash C. Anjaria as a Non-executive Independent Director, towards the Company, the Nomination and Remuneration Committee and the Board of the Company recommended the continuation of Shri Divyabhash C. Anjaria's present tenure of appointment as Non-Executive Independent Director, on existing terms and conditions notwithstanding his attainment the age of 75 years. The Board considers that his continued association would be immensely beneficial to the Company and it is desirable to continue to avail services of Shri Divyabhash C. Anjaria as an Independent Director.

Shri Divyabhash C. Anjaria and his relatives may be deemed to be interested in the resolution set out at Item No.6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Except, Shri Divyabhash C. Anjaria, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.6 of the accompanying Notice.

The Board recommends the Special Resolution set out at Item No.6 of the Notice for approval by the Shareholders.

ITEM NO.7

In order to augment long term resources for financing *inter alia* the on-going capital expenditure and for general corporate purpose, the Company may borrow, including by issue of Unsecured/Secured Redeemable Non-Convertible Debentures / Bonds ("NCDs") on private placement basis, as may be appropriate and as specified in the approvals, from Indian markets.

The Board has at its meeting held on 2nd June, 2021, recommended to the Shareholders to give their consent to the Board of Directors or any Committee of the Board to borrow and raise funds by issue of NCDs on private placement basis, up to an amount of ₹500.00 Crore (Rupees: Five Hundred Crore) under Section 42 and 71 read with section 179 of the Companies Act, 2013. Such issue shall be subject to overall borrowing limits of as approved by Shareholders from time to time and will be issued in terms of the provisions of the Companies Act, 2013, Articles of Association of the Company and Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended (the "SEBI Regulations") and other applicable laws.

Pursuant to Section 42 and 71 of the Companies Act, 2013 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, a Company offering or making an invitation to subscribe to NCDs/Bond on a private placement basis is required to obtain prior approval of the Shareholders by way of the special resolution. For NCDs/Bonds, it shall be sufficient if the Company passes a previous special resolution only once in a year for all the offers or invitations for such NCDs to be made during the year. Accordingly, it is proposed to raise funds through Private Placement of NCDs/Bonds in one or more series/tranches during a year starting from the date of approval of special resolution by the Shareholders of the Company. Such NCDs/Bonds shall be issued to such person or persons, who may or may not be the members of the Company, as the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Shareholders / Board, may think fit and proper.

The resolutions contained in Item No.7 of the accompanying Notice, accordingly, seek Shareholders approval as enabling resolution for raising funds through Private Placement of NCDs/Bonds in one or more tranches during a year starting from the date of approval of special resolution by the members of the Company and authorizing the Board of Directors (or any duly constituted Committee of the Board or such other authority as may be approved by the Board) of the Company to complete all the formalities in connection with the issue of NCDs/Bonds.

The borrowing limits (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) approved by the Members under Section 180 (1) (c) of the Companies Act, 2013 vide the resolution dated 11th September, 2014 is ₹1,000 Crore over and above the paid up share capital and Free Reserves for the time being of the Company. Pursuant to Section 180(1)(a) of the Companies Act, 2013 the Company has authorised the Board *inter alia* to provide securities for amounts borrowed by creating charge on the assets of the Company in favour of lenders for amounts borrowed upto ₹1,700 Crore. The approval is sought for funds raised by way of including but not limited to private placement of NCDs / Bonds in one or more series / tranches shall be within the overall borrowing limits of the Company.

None of the Directors or key managerial personnel of the Company or their relatives are, in any way concerned or interested, financially or otherwise, in the proposed resolutions.

The Board recommends the Special Resolution set out at Item No.7 of the Notice for approval by the Shareholders.

ITEM NO.8

Looking to the time devotion and significant contribution made by the Non-Executive Directors (including Independent Directors) in the functioning and progress of the Company, the Board considered and recommended the proposal of payment of commission to the Non-Executive Independent Directors.

Approval of the Shareholders of the Company is being sought for payment of commission to the Non-Executive Directors, to the extent as determined by the Board of Directors, subject to the limit of 0.50% (one half percent) per annum of the Net Profits of the Company (apart from sitting fees and other reimbursement for participation in the Board and other meetings), calculated in accordance with the provisions of the Companies Act, 2013 for the financial years commencing from 1st April, 2021.

Save and except, all the Non-Executive Directors of the Company and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors or key managerial personnel of the Company or their relatives are, in any way concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No.8 of the Notice for approval by the Shareholders.

The brief profile of the directors including the information required to be furnished under Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standards-2 on General Meetings are given below:

Name of the Director	**Shri Jayanti M. Sanghvi**	**Shri Divyabhash C. Anjaria**
DIN	00006178	00008639
Date of First Appointment	15th September, 1983	28th December, 1995
Brief Resume of the Director including nature of expertise in specific function areas	Shri Jayanti M. Sanghvi is a promoter entrepreneur having rich experience in Corporate Human Resource Management, Administration, Corporate Communication, Liasoning and Corporate Procurement.	Shri Divyabhash C. Anjaria holds PGDM from IIM (Ahmedabad) in Finance having 20 years' experience with Citibank N.A. out of which 7 years in India and 13 years in Africa, Middle East and Europe. His experience covered Trade Finance, Treasury and Investment Banking and financial Control Functions. He was member of the Executive Committee of the Derivatives and Capital Market Segment of the National Stock Exchange of India Limited. Shri Anjaria's Management Services Firm International Financial Solutions Pvt. Ltd. had advised the Government of Gujarat on developing an International Financial Centre resulting in the GIFT project in the State. His area of specialization includes business consultancy, corporate management, financial management, forex risk management, etc.
No. of Shares held in the Company as on 31st March, 2021	38,61,195 Equity Shares	22,065 Equity Shares
Directorships and Committee membership in other Companies*	Oswal Organisor Private Limited (Director)	He is presently a Director of Indian Institute of Financial Services Private Limited, International Financial Solutions Private limited, Gujarat Techmarkets Private Limited and Karanalyte Resources Inc. He has previously served as a Director on the Board of many esteemed Companies like GVFL Limited and Gujarat State Fertilizers and Chemicals Limited.
Relationships between Directors Inter-se	Shri Jayanti M. Sanghvi is a brother of Shri Prakash M. Sanghvi and Shri Shanti M. Sanghvi, Directors of the Company. No other Directors are related to him.	Does not hold any relationship with any other Directors

(*) Excluding alternate directorship, if any, and companies under Section 8 of the Companies Act, 2013.

By Order of the Board
For, **Ratnamani Metals & Tubes Limited**

Anil Maloo
Company Secretary

Registered Office:
17, Rajmugat Society,
Naranpura Char Rasta,
Ankur Road, Naranpura,
Ahmedabad - 380 013
CIN : L70109GJ1983PLC006460
Date: 2nd June, 2021

RATNAMANI®
METALS & TUBES LTD.
Prosperity through Performance

Registered Office
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CIN : L70109GJ1983PLC006460
Phone: +91-79-27415504

Email Id: info@ratnamani.com

Website : www.ratnamani.com