

Regd. Office :
17, Rajmugat Society, Naranpura Cross Road,
Ankur Road, Naranpura,
Ahmedabad - 380 013. Gujarat, India
Phone : +91-79-27415501 / 2 / 3 / 4
Fax : +91-79-27480999
E-mail : info@ratnamani.com
Website : http://www.ratnamani.com
CIN : L70109GJ1983PLC006460



RMTL/SEC/35th AGM NOTICE & AR 2018-19/16VII

16th July, 2019

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

Subject: Submission of Notice of the 35th Annual General Meeting and Annual Report for the F.Y. 2018-19 of the Company

Dear Sir/Madam,

Please note that the 35th Annual General Meeting ("AGM") of the Members of the Company is scheduled to be held on Friday, 9th August, 2019 at 10.00 a.m. at the Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad - 380 009.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Notice of the 35th Annual General Meeting and Annual Report of the Company for the financial year 2018-19 which is being dispatched/sent to the members through permitted mode(s).

The above is also available on the website of the Company at www.ratnamani.com

We request you to take the above on your record.

Thanking You

Yours faithfully,

For, RATNAMANI METALS & TUBES LIMITED

**JIGAR SHAH
COMPANY SECRETARY**

Encl.: As above

NOTICE

NOTICE is hereby given that the 35th Annual General Meeting of the members of **RATNAMANI METALS & TUBES LIMITED** will be held on Friday, the 9th day of August, 2019 at 10.00 A.M. at The Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad-380009, to transact the following business:

Ordinary Business:

- To receive, consider and adopt:
 - the audited Standalone Financial Statements of the Company for the financial year ended on 31st March, 2019, together with the Reports of the Board of Directors and Auditors thereon; and
 - the audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2019 and the Report of the Auditors thereon.
- To declare Dividend on equity shares for the financial year ended on 31st March, 2019.
- 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.
- To re-appoint M/s. S R B C & Co., Chartered Accountants as the Joint statutory Auditor 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 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the consent of the members of the Company, be and are hereby accorded for the re-appointment of M/s. S R B C & Co., Chartered Accountants, having ICAI Firm Registration No.324982E/E300003 as the Joint Statutory Auditor of the Company to hold office for the Second Term for a period of 2 (Two) Consecutive Years, effective from the conclusion of this Annual General Meeting till the conclusion of the 37th Annual General Meeting to be held in the calendar year 2021 at such remuneration plus applicable taxes, reimbursement of out-of-pocket expenses, travelling and other expenses incurred in connection with audit to be carried out by them, as may be decided by the Board of Directors."

Special Business:

- To ratify the Remuneration payable to the Cost Auditors of the Company for the financial year ending on 31st March, 2020 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 No.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, 2020, 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."

- To re-appoint Smt. Nidhi G. Gadhecha (DIN: 06847953) as an Independent Woman Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and Regulation 16 and 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members of the Company, be and are hereby accorded for the re-appointment of Smt. Nidhi G.Gadhecha (DIN: 06847953) as an Independent Woman Director of the Company, to hold office for the Second Term for a period of 5 (Five) consecutive years effective from the conclusion this Annual General Meeting till the conclusion of the 40th Annual General Meeting of the Company to be held in the Calendar year 2024 or upto 8th August, 2024, whichever is earlier.

- Payment of remuneration to Managing Director and Whole Time Directors who are also Promoters or members of Promoter Group and to consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to Section 197 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members of the Company, be and are hereby accorded for payment of remuneration to Shri Prakash M. Sanghvi, Managing Director, Shri Jayanti M. Sanghvi, Whole Time Director and Shri Santilal M. Sanghvi, Whole Time Director, who are Promoters or members of Promoter Group as under:

- annual remuneration to an Executive Director who is a Promoter or member of Promoter Group, exceeding ₹ 5.00 Crores or 2.5 per cent (2.5%) of the net profits of the Company computed in accordance with Section 198 of the Companies Act, 2013 ("Net Profit"), whichever is higher; or
- aggregate annual remuneration to Executive Directors who are Promoters or members of Promoter Group, where there is more than one such Executive Director, exceeding 5 per cent (5%) of the Net Profit.

RESOLVED FURTHER THAT the approval herein granted for payment of remuneration to Executive Directors who are Promoters or members of Promoter Group ("such Executive Directors") shall be effective for the Financial Year commenced from April 1, 2019 and for subsequent years till the expiry of respective term of such Executive Directors.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds and things as it may deem necessary and authorise executives of the Company for the purpose of giving effect to the above Resolution."

- Change in the Designation of Shri Jayanti M. Sanghvi as Joint Managing Director of the Company and in this regard to consider and if thought fit, to pass, with or without

modification (s), the following resolution as a Special Resolution:

"RESOLVED THAT in continuation of the earlier resolution passed at the meeting of the 34th Annual General Meeting of the Company held on 9th August, 2018, the consent of the members of the Company, be and are hereby accorded to re-designate Shri Jayanti M. Sanghvi from Whole Time Director to Joint Managing Director of the Company retaining all the existing terms and conditions of his appointment till the expiry of his present term i.e. 31st October, 2023 as approved by the Members at the 34th Annual General Meeting held on 9th August, 2018,

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as it may deem necessary and authorise executives of the Company for the purpose of giving effect to the above Resolution."

Registered Office: By Order of the Board
17, Rajmugat Society, For, **Ratnamani Metals & Tubes Limited**
Naranpura Char Rasta,
Ankur Road, Naranpura,
Ahmedabad - 380 013
CIN: L70109GJ1983PLC006460
Date : 29th May, 2019

Jigar Shah
Company Secretary

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (A.G.M.) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE, NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER MEMBER.

- The Explanatory statement setting out the material facts pursuant to Section 102 (1) of the Companies Act, 2013 ("the Act") concerning the Special Business under Item No.5 to 8 in the Notice is annexed hereto and forming part of this Notice. The profile of the Directors seeking re-appointment, as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also annexed.
- Corporate Members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the

said resolution to attend and vote on their behalf at the meetings shall send the same in advance at the Company's Registered office or RTA's Address.

- 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.
- Members/Proxies/Authorised Representative should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slip will not be distributed at the Meeting.
- Members may also note that the Notice of this Annual General Meeting and the Annual Reports for the financial year 2018-19 will also be available in the Company's website: www.ratnamani.com.

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 9.30 A.M. to 6.30 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.

- The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 3rd August, 2019 to Friday, 9th August, 2019 (both days inclusive) for determining the entitlement of the members to the payment of Dividend for the purpose of payment of dividend and Annual General Meeting.
- 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 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.
- GREEN INITIATIVE:**
Securities and Exchange Board of India ("SEBI") and the Ministry of Corporate Affairs ("MCA") encourage paperless communication as a contribution to the greener environment. Members holding shares in physical mode are requested to register their e-mail ID's with the Link Intime India Pvt. Ltd., Registrar and Transfer Agent of the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered.
If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrars and Transfer Agent of the Company in respect of shares held in physical form and to their respective Depository Participants in respect of shares held in electronic form.
- In terms of Section 101 of the Companies Act, 2013 read together with the Rule 18 of the Companies (Management and Administration) Rules, 2014 and Section 136 of the Companies Act, 2013 read together with the Rule 11 of the

Companies (Accounts) Rules, 2014 and regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the copy of the Annual Report including Financial statements, Board's report etc. and this Notice are being sent by electronic mode, to those members who have registered their email IDs with their respective depository participants or with the share transfer agent of the Company, unless any member has requested for a physical copy of the same.

11. 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.
12. 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 9th August, 2018 (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).

13. 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 Lacs)

Date of Declaration	Financial Year	Due for Transfer on	Unpaid Amt. (as on 31st March, 2019)
26th September, 2012	2011-2012	25th October, 2019	9.93
12th August, 2013	2012-2013	11th September, 2020	12.77
11th September, 2014	2013-2014	10th October, 2021	14.71
23rd September, 2015	2014-2015	22nd October, 2022	17.43
12th March, 2016	2015-2016	11th April, 2023	23.94
12th September, 2017	2016-2017	11th October, 2024	22.93
9th August, 2018	2017-2018	8th August, 2025	17.72

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. During the F.Y. 2018-19, the Company had transferred 9,725 Equity Shares to the Investor Education and Protection Fund Authority. Further, the unclaimed dividend in respect of F.Y. 2011-12 must be claimed by shareholders on or before 25th October, 2019, 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 concerned shareholders, however, may claim the dividend and shares from IEPF Authority, the procedure for which is detailed in the Investors Relations section in the website of the Company.

14. The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 had mandated registration of Permanent Account Number (PAN) and Bank Account details for all Members holding shares in physical form. In this regard, Link Intime India Private Limited, the Registrar and Share Transfer Agent (RTA) of the Company had issued three letters to the shareholders dated 24th July, 2018, 30th November, 2018 and 15th February, 2019 requesting the Members to

submit their PAN and Bank Account details to the 'Share Department' of the Company at the Company's Registered Office or to the RTA of the Company.

15. If a shareholder has queries on "Accounts, operation and Finance" of the Company, the same may be sent to the Company by them at least 10 (Ten) days before the Annual General Meeting so that the answers are readily available at the AGM.
16. Kindly quote your Ledger Folio Number / Client ID / DP ID Number in all your future correspondence.
17. Pursuant to the provisions of Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer agent. In respect of shares held in electronic/demat form, the members may please contact their respective Depository Participant.
18. The Company has appointed Link Intime India Private Limited as its Registrar and Transfer Agent. Therefore, all the Shareholders of the Company are requested to correspond directly to the RTA at the following addresses in the matters relating to transfer 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
<p>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</p>	<p>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</p>

If shares are held in electronic form by the shareholders, then change of address, change in bank Accounts and change in e-mail ID etc. should be furnished to their respective Depository Participants (DPs).

19. **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 jigar.shah@ratnamani.com for any query relating to Demat.

20. Non-Resident Indian Members are requested to inform the Link Intime India Private Limited, immediately of:

- Change in their residential status on return to India for permanent settlement.
- 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.

21. 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 shareholders are requested to submit their Permanent Account Number along with photocopy of both the sides of the PAN Card duly attested.

Shareholders 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.

Shareholders 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.

22. 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 shareholders of REL. It is noticed that some shareholders have yet not exchanged their old share certificates of REL. Such shareholders are requested to get the same exchanged for new RMTL share certificates.

23. The Shareholders 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.

24. **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. Friday, 2nd August, 2019 only shall be entitled to vote at the General Meeting by availing the facility or remote e-voting or by voting through ballot paper at the General Meeting.

Voting through Electronic Means

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by The Institute of Company Secretaries of India ("ICSI"), the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 35th Annual General Meeting by electronic means. The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited ("CDSL").

A member can opt for only one mode of voting, either through person or through proxies or through e-voting system or through ballot/polling paper which shall be available at the venue of the 35th Annual General Meeting. If a member casts votes by all three modes, then voting done through e-voting shall prevail and voting through other means shall be treated as invalid.

The Company has appointed Shri M. C. Gupta of M/s. M. C. Gupta & Co., Company Secretaries in practice having its office address at 703, Mauryansh Elanza, Near Parekh's Hospital, Shyamal Cross Road, Satellite, Ahmedabad – 380 015 to act as the Scrutinizer to scrutinize the poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same purpose.

The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total Votes cast in favour or against if any, to the Chairman or a person authorized by him, in writing, who shall counter sign the same and declare the result of the voting forthwith.

The results shall be declared within 48 hours after the conclusion of the Annual General Meeting of the Company.

The results declared along with Scrutinizer's Report shall be placed on the Company's website: www.ratnamani.com and on the website of CDSL at www.evotingindia.com and the same shall also be communicated to BSE Limited ("BSE") and National Stock Exchange of India Ltd. ("NSE"), where the shares of the Company are listed.

Any person who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. Friday, 2nd August, 2019 may obtain the User ID and password in the manner as mentioned at points (ii) to (v) given below:

The instructions for the members for voting electronically are as under:-

In case of remote e-voting

- (i) The voting period begins on Monday, 5th August, 2019 (10.00 A.M.) and ends on Thursday, 8th August, 2019 (5.00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Friday, 2nd August, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 P.M. on Thursday, 8th August, 2019.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders/Members.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then

directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Ratnamani Metals & Tubes Limited i.e.190611002 on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app CDSL m-Voting available for iphone as well as android and windows based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians :
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - 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.
- (xx) In case you have any queries or issues regarding e-voting, you 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.

VOTING AT AGM:-

The members who have not casted their votes either electronically may exercise their voting rights at the AGM through ballot paper.

25. Members holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with share certificates so as to enable the Company to consolidate their holding into one folio.
26. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the AGM.
27. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper/Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. The facility for voting at meeting venue shall be decided by the Company i.e. "e-voting of "Ballot Paper/Polling Paper.
28. Members holding equity shares in Electronic Form and Proxies thereof are requested to bring their DP ID and Client ID for Identification.
29. Route Map showing directions to reach to the venue of the 35th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meeting".

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 ordinary Business under Item No.4 and the Special Business under Item No.5, 6, 7 & 8 of the accompanying Notice dated 29th May, 2019

Item No.4

The Audit Committee at its meeting held on 28th May, 2019 and the Board of Directors at its meeting held on 29th May, 2019 have recommended the re-appointment of M/s. S R B C & CO. LL.P., Chartered Accountants, Ahmedabad having ICAI Firm Registration No. 324982E/E300003as the Joint Statutory Auditor of the Company for the Second Term for a period of 2 (Two) consecutive

years effective from the Conclusion of the 35th Annual General Meeting till the conclusion of the 37th Annual General Meeting to be held in the calendar year 2021.

Further, the Company has also received a consent letter stating that, if they are appointed as the Joint Statutory Auditor of the Company, the same will be in accordance within the limits as specified under Section 139 and any other applicable provisions of the Companies Act, 2013 and Rules made thereunder. The said letter also contains that their Firm is eligible for appointment and is not disqualified for appointment under the Companies Act, 2013, the Chartered Accountants Act, 1949 and Rules and Regulations made thereunder and no order or pending proceeding relating to professional matters of conduct before the Institute of Chartered Accountants of India or any competent authority or any court is passed.

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 Members.

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 28th May, 2019, the Board 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 2019-20 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 Members.

Item No.6

Smt. Nidhi G. Gadhecha, aged 31 years, was appointed as Independent Woman Director of the Company at the meeting of Board of Directors held on 6th November, 2014 for a period of 4 (Four) consecutive years till the conclusion of the 35th Annual General Meeting.

The Nomination and Remuneration Committee has recommended and the Board has approved at its meetings held on 29th May, 2019 her re-appointment as an Independent Woman Director of the Company for the Second Term for a period of 5 (Five) consecutive years effective from the conclusion of the 35th Annual General Meeting till the conclusion of the 40th Annual General Meeting of the Company to be held in the calendar year 2024 or upto 8th August, 2024, whichever is earlier.

Pursuant to the provisions of Section 149(10) of the Companies Act, 2013, the re-appointment of any Independent Director for the Second Term requires the Members' approval by way of Special Resolution.

Further, Smt. Nidhi G. Gadhecha is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Company has also received a declaration from Smt. Nidhi G. Gadhecha that she meets the criteria of independence as prescribed both under Sub-section (6) of Section 149 read with Schedule IV of the Companies Act, 2013 and also under Regulation 16 & 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

In the opinion of the Board, Smt. Nidhi G. Gadhecha fulfills the conditions for appointment as an Independent Woman Director of the Company as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, Smt. Nidhi G. Gadhecha is an Independent of the management.

A copy of the draft letter of her appointment as an Independent Woman Director setting out the terms and conditions is available for inspection by the members at the Registered Office of the Company on all working days during normal business hours between 9.30 A.M. to 6.30 P.M. up to the date of the 35th Annual General Meeting.

The statement under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this notice.

Further, Smt. Nidhi G. Gadhecha, Independent Woman Director, whose period of office is not liable to retire by rotation at every Annual General Meeting.

The Board considers that her continued association would be an immense benefit to the Company and it is desirable to avail services of Smt. Nidhi G. Gadhecha as an Independent Woman Director.

Except, Smt. Nidhi G. Gadhecha, being an appointee and her relatives, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Special Resolution set out at Item No.6 of the Notice.

This statement may also be regarded as an appropriate disclosure under the Companies Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board recommends the Special Resolution set out at Item No.6 of the Notice for approval by the Members.

Item No.7

As required under Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Listing Regulations"), inserted by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the fees or compensation payable to Shri Prakash M Sanghvi, Managing Director, Shri Jayanti M Sanghvi and Shri Shanti M Sanghvi, the Whole Time Directors who are promoters or members of the promoter group of the Company, shall be subject to the approval of the members by way of special resolution in general meeting, if –

- (i) Annual remuneration payable to such executive director exceeds ₹ 5.00 Crore or 2.5 per cent (2.5%) of the net profits of

the listed entity, whichever is higher; or

- (ii) Where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent (5%) of the net profits of the listed entity. Further, the approval of the shareholders under the said Regulation shall be valid only till the expiry of the terms of such director.

In view of Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the approval of members by way of Special Resolution is sought for the residue of their present term

Except, Shri Prakash M. Sanghvi, Shri Jayanti M. Sanghvi and Shri Shanti M. Sanghvi and their relatives, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Special Resolution as set out at Item No.7 of the Notice.

The Board recommends the Special Resolution set out at Item No.7 of the Notice for approval by the Members.

Item No.8

Based on the recommendation of the Nomination and Remuneration Committee and Board of Directors at their meetings held on 22nd May, 2018, Shri Jayanti M. Sanghvi, aged 61 years was re-appointed as Whole Time Director of the company for a period of 5 (Five) consecutive years by the members at the 34th Annual General Meeting of the Company held on 9th August, 2018 with effect from 1st November, 2018

Further, due to increase in the day to day business operations of the Company. The Management of the Company is of the opinion to re-designate Shri Jayanti M. Sanghvi from his current post i.e. Whole Time Director to Joint Managing Director of the Company retaining all the existing terms and conditions of appointment and remuneration payable till the expiry of his present term i.e. 31st October, 2023 as approved by the Members of the Company at the 34th Annual General Meeting held on 9th August, 2018. Based on the above recommendation of the Management, the Nomination and Remuneration Committee at its meeting held on 28th May, 2019 had further recommended the change in his designation from Whole Time Director to Joint Managing Director which the Board of Directors at its meeting held on 29th May, 2019 had approved the same retaining all the existing terms and conditions of appointment and remuneration payable till the expiry of his present term i.e. 31st October, 2023, subject to approval of the members.

Except, Shri Jayanti M. Sanghvi, being the appointee, Shri Prakash M. Sanghvi, Managing Director, Shri Shanti M. Sanghvi, Whole Time Director and their relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Special Resolution as set out at Item No.8 of the Notice.

The Board recommends the Special Resolution set out at Item No.8 of the Notice for approval by the Members.

Registered Office:

17, Rajmugat Society,
Naranpura Char Rasta,
Ankur Road, Naranpura,
Ahmedabad - 380 013
CIN: L70109GJ1983PLC006460

Date : 29th May, 2019

By Order of the Board
For, **Ratnamani Metals & Tubes Limited**

Jigar Shah
Company Secretary

**DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE 35TH ANNUAL GENERAL MEETING
(PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)**

Name of the Director	Smt. Nidhi G. Gadhecha
Director Identification Number ("DIN")	06847953
Date of Appointment	6th November, 2014
Brief Resume of the Director including nature of expertise in specific function areas	Smt. Nidhi G. Gadhecha is a Chartered Accountant by qualification. She possesses expertise in functional areas of Corporate Finance, Taxation and other related matters. She has worked with Adani Enterprises Limited.
No. of Shares held in the Company as on 31st March, 2019	Nil
Directorships and Committee membership in other Companies*	Nil
Relationships between Director Inter-se	No other Directors are related to her.

* Excluding alternate directorship, directorships in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013. Membership and Chairmanship of Audit Committee and Stakeholders Relationship Committee have been included.

Registered Office:

17, Rajmugat Society,
Naranpura Char Rasta,
Ankur Road, Naranpura,
Ahmedabad - 380 013
CIN: L70109GJ1983PLC006460
Date : 29th May, 2019

By Order of the Board
For, **Ratnamani Metals & Tubes Limited**

Jigar Shah
Company Secretary



Regd. Office: 17, Rajmugat Society, Naranpura Char Rasta, Ankur Road, Naranpura, Ahmedabad – 380 013.
E-mail: jigar.shah@ratnamani.com, Website: www.ratnamani.com,
CIN: L70109GJ1983PLC006460,
Phone No.: 079-27415501/02/03/04, Fax No.: 079-27480999

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall.

DP ID / Client ID / Folio No.

No. of Shares

Name & Address of the Shareholder:

I certify that I am a member/Proxy/Authorised Representative for the members of the Company.

I hereby record my presence at the 35th Annual General Meeting of the Company held at the Conference Hall of "The Ahmedabad Textile Mills Association, Near "Gurjari", Ashram Road, Ahmedabad – 380 009 on **Friday, 9th August, 2019 at 10.00 A.M.**

Note: Only Shareholders of the Company or their Proxies will be allowed to attend the Meeting.

Signature of the Shareholder/Proxy



Regd. Office: 17, Rajmugat Society, Naranpura Char Rasta, Ankur Road, Naranpura, Ahmedabad – 380 013.
E-mail: jigar.shah@ratnamani.com, Website: www.ratnamani.com,
CIN: L70109GJ1983PLC006460,
Phone No.: 079-27415501/02/03/04, Fax No.: 079-27480999

Form No. MGT-11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s) : _____
Registered address : _____
E-mail ID : _____
Folio: No : _____
DP Id : _____
Client Id : _____

I / We being the Member(s) of _____ Equity Shares of Ratnamani Metals & Tubes Limited, hereby appoint:

1. Name : _____
Address : _____
E-mail Id _____ or failing him
2. Name : _____
Address : _____
E-mail Id _____ or failing him
3. Name : _____
Address : _____
E-mail Id _____

and whose signature (s) are appended below as my / our proxy to vote (on a poll) for me/us and on my/our behalf at the **35TH ANNUAL GENERAL MEETING** of the Company to be held at the Conference Hall of "The Ahmedabad Textile Mills Association, Near "Gurjari", Ashram Road, Ahmedabad -380 009 on Friday, 9th August, 2019 at 10.00 A.M. or at any adjournment thereof in respect of such Ordinary Resolutions and Special Resolution as are indicated below:

Resolutions Item wise		For	Against
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, 2019, together with the Reports of the Board of Directors and Auditors thereon; and		
	b) the audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2019 and the Report of the Auditors thereon.		
2)	To declare Dividend on equity shares for the financial year ended on 31st March, 2019.		
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.		
4)	To appoint M/s. S R B C & Co., LLP, Chartered Accountants as the Joint Statutory Auditor.		
SPECIAL BUSINESS			
5)	To Ratify the Remuneration payable to the Cost Auditors of the Company for the financial year ending on 31st March, 2020.		
6)	To re-appoint Smt. Nidhi D. Gadhecha (DIN: 06847953) as an Independent Woman Director of the Company.		
7)	Payment of remuneration to Managing Director and Whole Time Directors who are Promoters or members of Promoter Group.		
8)	Change in the Designation of Shri Jayanti M. Sanghvi as Joint Managing Director of the Company.		

Signed this _____ day of _____ 2019

Affix
Revenue
Stamp
Here

Signature of shareholder

Signature of 1st proxy holder

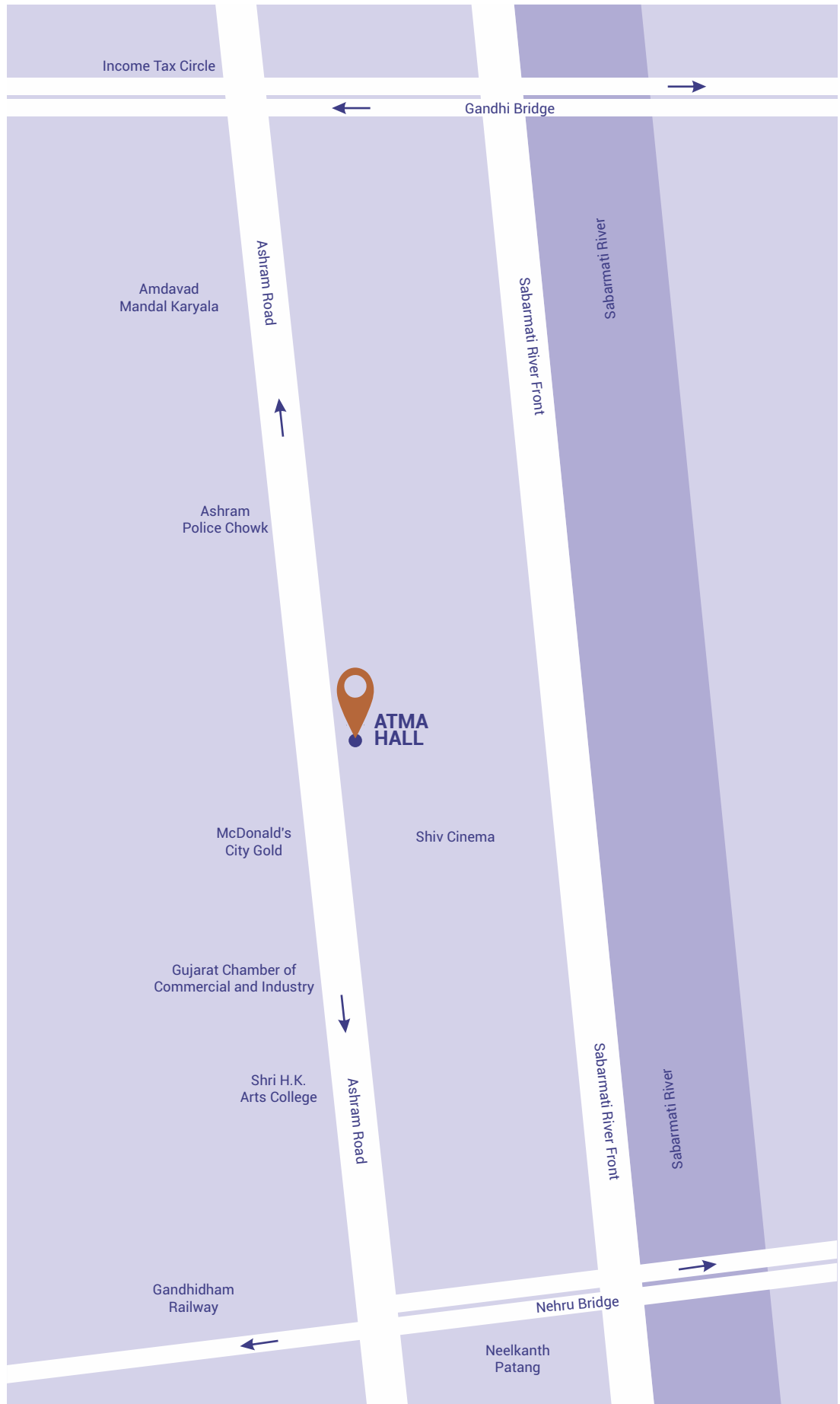
Signature of 2nd proxy holder

Signature of 3rd proxy holder

Note:

1. The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
2. Proxy need not be a member of the Company and shall prove his identity at the time of attending the Meeting.

35TH AGM VENUE MAP



Hallmark of Performance



35th ANNUAL REPORT 2018-19


RATNAMANI[®]
METALS & TUBES LTD.
Prosperity through Performance

CORPORATE INFORMATION

BOARD OF DIRECTORS

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

KEY MANAGERIAL PERSONNEL

Shri Vimal Katta	Sr. Vice President (F & A) / (C. F. O.)
Shri Jigar Shah	Company Secretary and Legal Head

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
Dr. Vinodkumar M. Agrawal	Member
Shri Pravinchandra M. Mehta	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

BANKERS

State Bank of India | IDBI Bank Ltd | ICICI Bank Ltd | YES Bank Ltd | Axis Bank Ltd | HDFC Bank Ltd | Citi Bank

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 – 380 013.

Website: www.ratnamani.com

CIN: L70109GJ1983PLC006460

Phone No. : 079-27415501-04

Fax No. : 079-27480999

Email Id : info@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 No. : 02764-234254/63, Fax No. : 02764-234105

SAW PIPE DIVISION (C. S. PIPES DIVISION)

Plot No. 3306-3309, GIDC Estate, Chhatral Phase IV, Ahmedabad-Mehsana Highway, P.O. Chhatral,

Taluka: Kalol, Dist: Gandhinagar - 382729, Gujarat.

Phone No. : 02764-232234, 233918

Fax No. : 02764-233859

KUTCH DIVISION

Survey No. 474, Anjar - Bhachau Road,

Village: Bhimasar, Taluka: Anjar, Dist: Kutch, Gujarat

Phone No. : 02836-285538-39

Fax No. : 02836-285540, 285261, 285262

SALES OFFICE

MUMBAI

Panchsheel Plaza, B-Wing, 2nd Floor, 55-Gam Devi Road, Nr.

Dharam Palace, Mumbai – 400 007

Phone No. : 022-43334555, Fax No. : 022-43334575

NEW DELHI

402, 4th Floor, Bhikaji Cama Bhawan,

Bhikaji Cama Place, New Delhi - 110 066

Phone No. : 011-46152724

REGISTRAR & TRANSFER AGENT

Link Intime India Private 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.

E-mail: ahmedabad@linkintime.co.in

Disclaimer

Readers are cautioned that this discussion and analysis pertaining to Ratnamani Metals & Tubes Limited contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words "anticipate," "believe," "estimate," "intend," "will," and "expected" and other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Actual results, performances or achievements, risks and opportunities could differ materially from those expressed or implied in these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements as these are relevant at a particular point of time and adequate restraint should be applied in their use for any decision making or formation of an opinion. This document does not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company. This document neither gives any guarantee of return nor any recommendation of investment in the securities of the Company. The foregoing discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

INSIDE MATTERS

Theme Overview	02
Your Company	05
Symbol of Value	06
What's Within	08
CMD's Message	10
Financial Glimpses	12
Standards of the Highest Order	14
Setting the Bar High	16
You Name it, We do it	18
Seal of Approval	20
Market Friendly	22
Social Assets	24
Board of Directors	26
Statutory Reports	
Management Discussion & Analysis	28
Business Responsibility Report	37
Directors' Report	44
Corporate Governance Report	51
Financial Reports & Statements	
Auditors' Report (Standalone)	85
Standalone Financial Statements	92
Auditors' Report (Consolidated)	131
Consolidated Financial Statements	136



We call it

'PURE'FORMANCE.



What makes us shine out is what makes us stand out.

What makes us unique is what makes us Ratnamani.

Pure gold.

**The hallmarks of pure gold are its high value,
uncompromising standards and widespread acceptability.**

Likewise, the hallmarks of Ratnamani are:

We are a

Symbol of Value

We set

Standards of the highest order

And we have an industry-wide

Seal of Approval


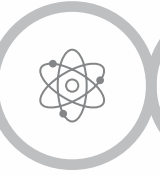











That's why we call it 'Pure'formance.



YOUR COMPANY

Your Company was incorporated in 1983 as Ratnamani Metals & Tubes Limited (Ratnamani). It is the market leader in manufacturing Tubes & Pipes in Stainless Steel/Exotic and also a significant player in manufacturing Carbon Steel Welded Pipes.

Your Company is a multi-location, multi-product enterprise. It provides critical Tubing and Piping Solutions across a varied range of Industries and niche markets in the core sectors like:

							
Oil & Gas	Refinery	Thermal Power	Nuclear Power	Chemicals	Petrochemicals	Fertilizers	Water Distribution
							
Sugar	Food & Dairy	Paper	Pharmaceutical	Automobiles	Defence	Aeronautics	Space Applications
			<p>The Company is headquartered in Ahmedabad and its manufacturing facilities are at Chhatral, Indrad and Kutch in Gujarat and its business offices are situated in Mumbai, Delhi, Hyderabad and Chennai. Its products are widely accepted by its end-user industries across India as well as abroad.</p>				
Ship Building	Pumping Station	Infrastructure					

1983

Year of incorporation

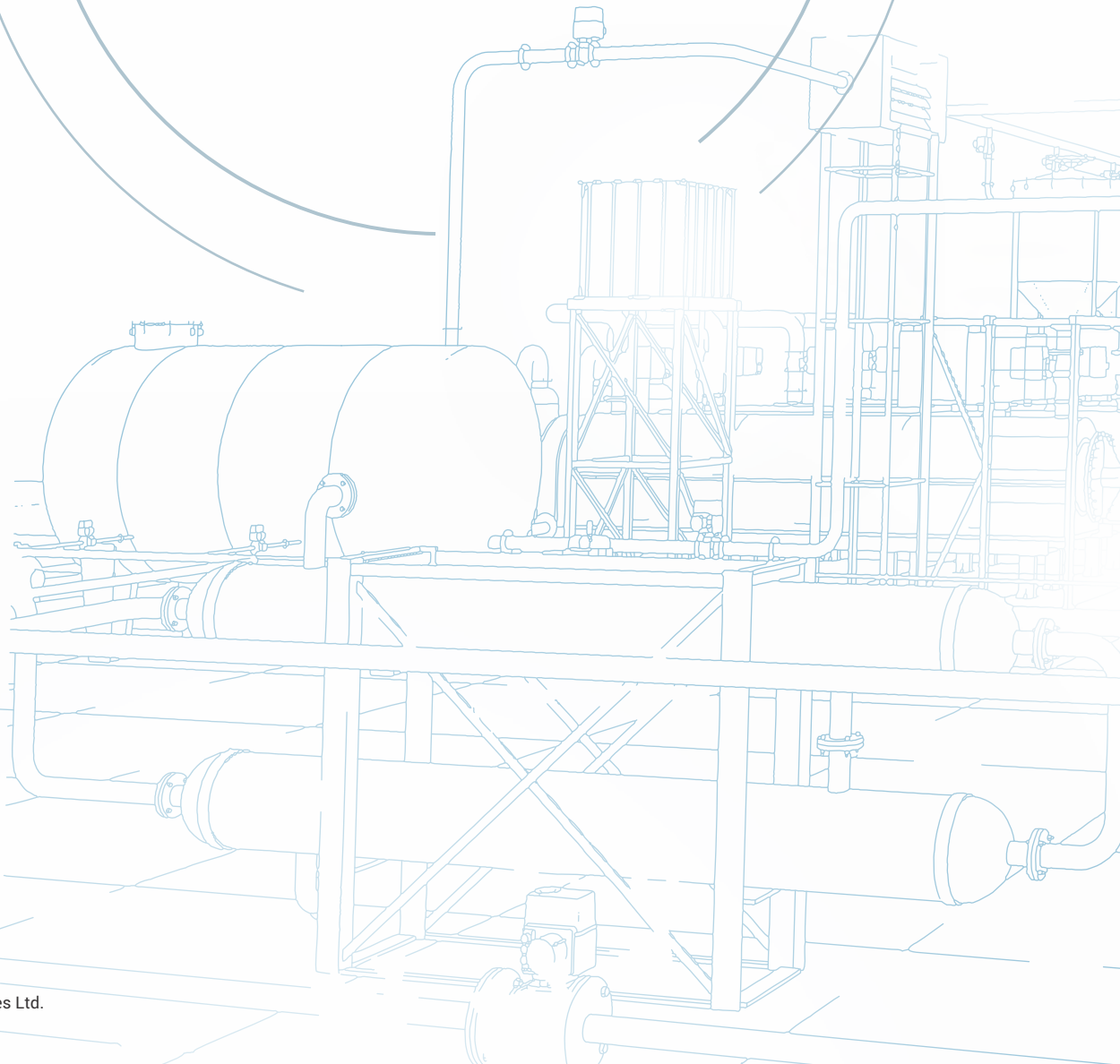
19+

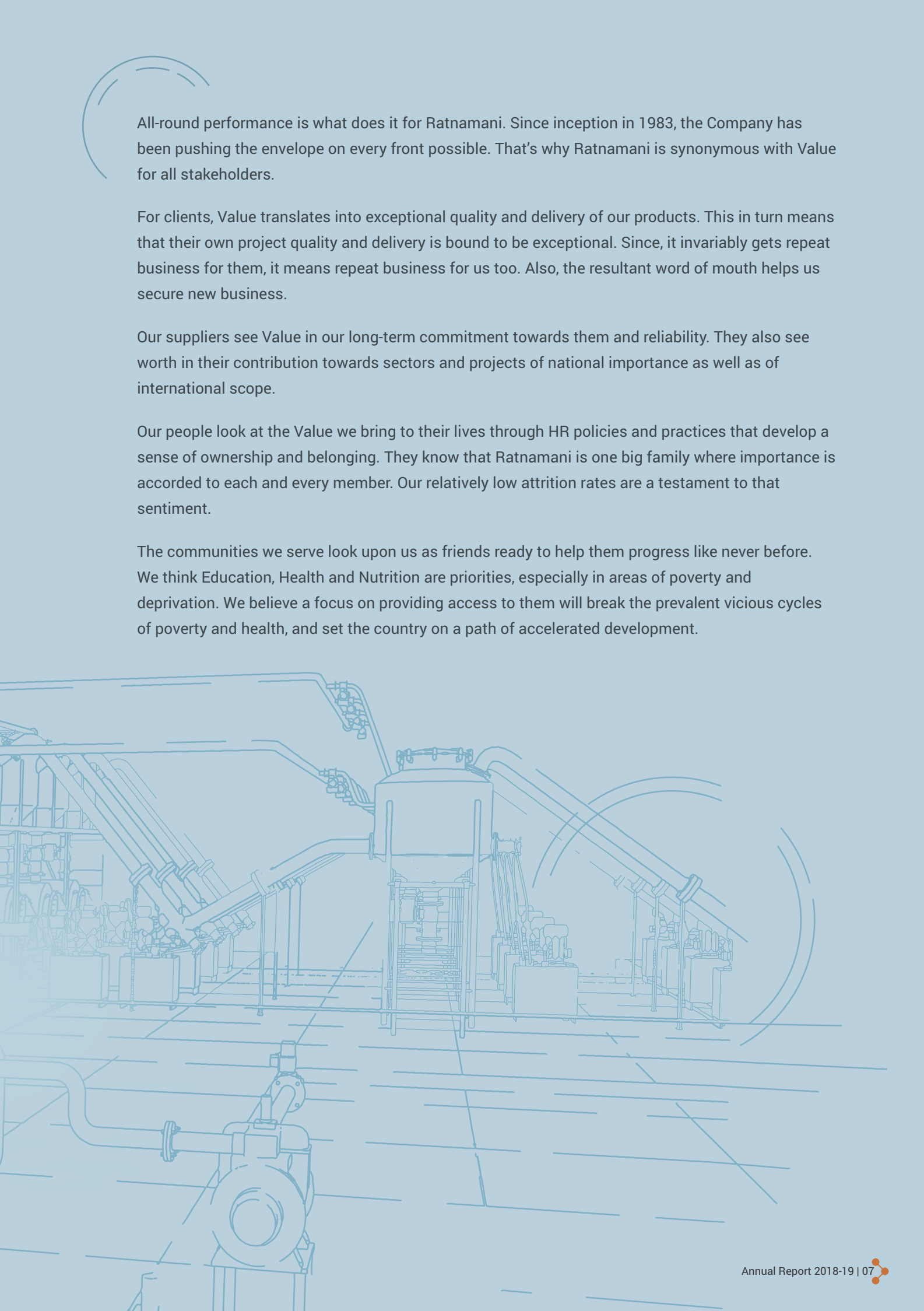
Industries catered to

37

countries-export presence

Symbol OF VALUE





All-round performance is what does it for Ratnamani. Since inception in 1983, the Company has been pushing the envelope on every front possible. That's why Ratnamani is synonymous with Value for all stakeholders.

For clients, Value translates into exceptional quality and delivery of our products. This in turn means that their own project quality and delivery is bound to be exceptional. Since, it invariably gets repeat business for them, it means repeat business for us too. Also, the resultant word of mouth helps us secure new business.

Our suppliers see Value in our long-term commitment towards them and reliability. They also see worth in their contribution towards sectors and projects of national importance as well as of international scope.

Our people look at the Value we bring to their lives through HR policies and practices that develop a sense of ownership and belonging. They know that Ratnamani is one big family where importance is accorded to each and every member. Our relatively low attrition rates are a testament to that sentiment.

The communities we serve look upon us as friends ready to help them progress like never before. We think Education, Health and Nutrition are priorities, especially in areas of poverty and deprivation. We believe a focus on providing access to them will break the prevalent vicious cycles of poverty and health, and set the country on a path of accelerated development.

WHAT'S WITHIN



VISION

To attain global excellence by continuously developing and providing the best quality products and services

Exceeding customer expectations with innovative products and applications

Building value for all our stakeholders

To be a value-driven organisation and creating a benchmark in corporate citizenship



MISSION

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



Making a difference in our space through:



VALUES AND INTEGRITY



Customer Focus

We align our actions and applications to cater to 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 interdependence.



Integrity

Being true to the purpose and transparent.



Responsibility

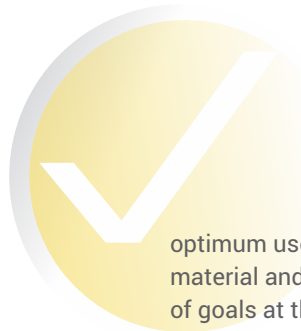
Owning responsibility with a sense of belonging and striving for environmental protection.



Discipline

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

WE DO THE RIGHT THING; WE ALSO DO THE THING RIGHT.



optimum use of our available resources – men, money, material and machine; we also have a clear breakdown of goals at the company, departmental and individual levels. Yes, we are yield or quantity driven, but we are also result or quality focused. Our short-term perspective enables us to focus on strategy implementation or operations, while our long-term perspective dictates strategy formulation. In cricketing terms, we have a sharp focus on the next ball, the next over and so on; we also have an overall game plan with contingencies or Plan B built in.



We don't think performance is in the shine, in things like turnover and profit; that's just the outcome. We think performance is the material underneath, the gold so to speak, that makes everything shine out.

Again, in sporting terms, as someone said, 'the trophy is earned in the hours that nobody is watching.' Our values of hard work, dedication and innovation are invisible, but these have a visible influence on our results.

The hallmark of our performance is that we are a Symbol, Standard and Seal. First and foremost, we are a Symbol of value: over the years, we have built a legacy that represents value to all stakeholders. This has happened because we have been consistent in upholding a Standard of the highest order – be it product, delivery or service. Something that is consistently good is bound to get noticed. Our product range has the Seal of approval in the market.

Do we expect such performance to continue? Without a doubt, yes. The biggest reason is that our performance stems from our robust values. So, even during downturns, if any, you can be sure of us beating the industry average. However, as a matter of fact, there doesn't seem to be any downturn around the corner, at least not in India. The world as a whole is doing worse than anticipated, but India is still going to be a pocket of high growth. The country will largely rely on a buoyant domestic economy powered by rising aspirations, huge infrastructure spends and pro-market fiscal and monetary policies.

Greetings,

What I wish to say to you here takes off from a quote by the 'founder of modern management,' Peter F. Drucker - "Doing the right thing is more important than doing the thing right." Well, we at Ratnamani value both things equally. I believe some explanation is in order as far as the quote is concerned. What Drucker hinted at was the difference between Effectiveness (doing the right thing) and Efficiency (doing the thing right).

In the context of Ratnamani, our business model demands that we do the right things – every time, since we always make to order. However, we also ensure that we do these all at the highest level of efficiency possible. I believe the reason we are thriving is that our organization is characterised by both High Efficiency and High Effectiveness.

We are both Resource-oriented (Efficiency mind-set) as well as Goal-oriented (Effectiveness mind-set). We make

There is so much high visibility in our areas of interest, that we foresee good business in coming years. Our reputation in the industry as a superior supplier will stand us in good stead, allowing us to reap the benefits of emerging opportunities. We are preferred suppliers for many Fortune 500 companies and Indian Navratnas. Our own supply side is also favourable. The domestic steel industry has grown on the back of abundant iron ore availability, cost-effective labour and introduction of National Steel Policy 2017, among others.



India's Steel Pipes and Tubes industry is believed to be a sunrise sector with huge opportunities cascading down from Infrastructure, Oil & Gas, Petrochemicals, Water, Irrigation, Sewage, Fertilizers, Power and Energy.

On the international front, the lion's share of demand for steel pipes is expected to originate in the Gulf countries, Asia and USA. India's competitive advantages in pricing, quality and location makes it a preferred exporter to countries like US, Europe, South East Asia, the Middle East, and Africa. Since, Ratnamani has the advantage of brand salience and recognition in the market, we anticipate a good chunk of that business coming our way down the line.

Quality and Price have helped us in establishing ourselves as a leading steel pipes and tubes manufacturer in India. This has also helped us to establish ourselves as a quality manufacturer of pipes and tubes in the discerning international markets.

We believe the Oil and Gas sector will continue to be a good opportunity for us. Rising oil and gas consumption has been ratcheting up the demand for oil and gas production and transportation. This in turn means the prospect of higher demand for our pipes and tubes. With the fourth largest refining capacity in the world, our country is well on its way to becoming a global refining hub. Increase in present refining capacities and new grass-root refineries are going to add to the demand for our products. Besides India, a large number of greenfield and brownfield refineries and petrochemical plants are coming up in Singapore, Middle East and the African region are going to be good opportunities for us.

The market is also moving towards higher grade steel alloy pipes and tubes. We are well-placed to tap the upcoming opportunities and move up the value chain. LNG Terminals springing up in India and elsewhere in the

world is a scenario we relish, since such terminals tend to use a lot of steel pipes and tubes in their construction. We see line pipe opportunities opening up in oil and gas transmission and City Gas Distribution (CGD). City gas distribution in particular has received a huge fillip from the government, which intends to develop a gas-based economy by the year 2040 and has set in motion the 10th CGD Licensing Round recently. Other sectors with a continuing upside for us would be Power – Thermal, Nuclear and Solar, Fertilizer Plants, Atomic Energy, Aerospace, and Water.

The ongoing financial year will see us getting into an exclusive league of international producers with our Hot Extrusion Press - capable of making seamless products in stainless steel and nickel alloys of up to 10" NPS size-going on stream. The current demand for such sizes are met through imports, which are generally costly and subject to the vagaries of foreign exchange rates. Our unique capacity, the first of its kind in the country, will unleash domestic demand for our products through import-substitution, thus saving precious foreign exchange. We also expect substantial foreign interest and orders arising from such an augmentation. This year, expansion plans also include an increase in L-SAW capacity to grab an ever-increasing slice of the opportunities.

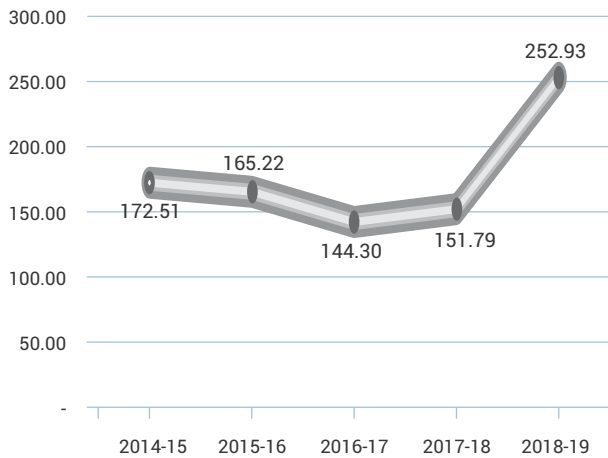
We believe results are temporary, performance is permanent. If we continue to perform like the way we have been doing, I am sure we will set the gold standard for performance in the industry and shine brighter than ever before.

Prakash M Sanghvi

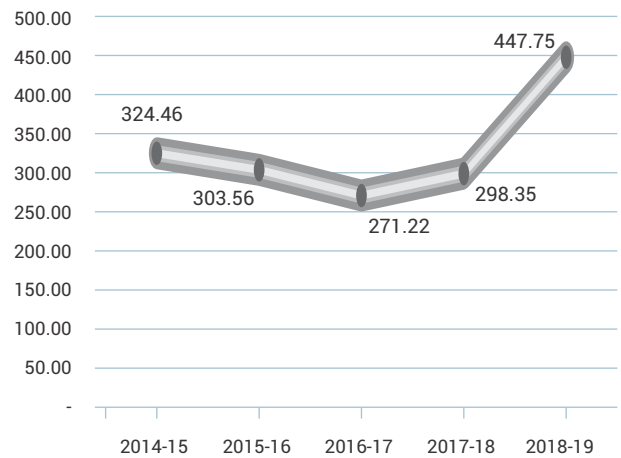
Chairman and Managing Director

FINANCIAL GLIMPSES

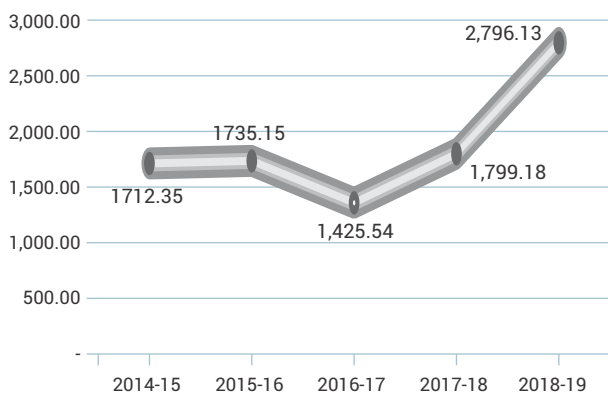
Standalone PAT (₹ In crores)



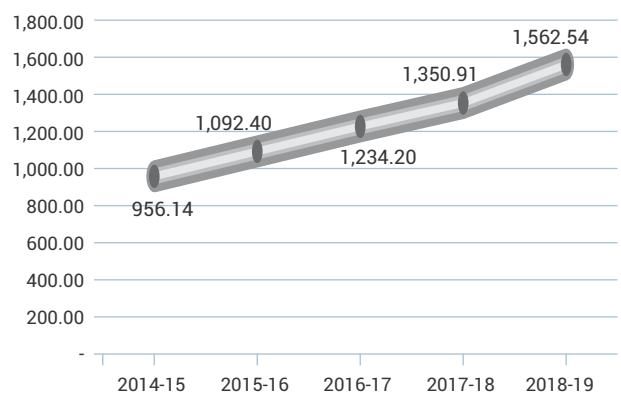
Standalone EBIDTA (₹ In crores)



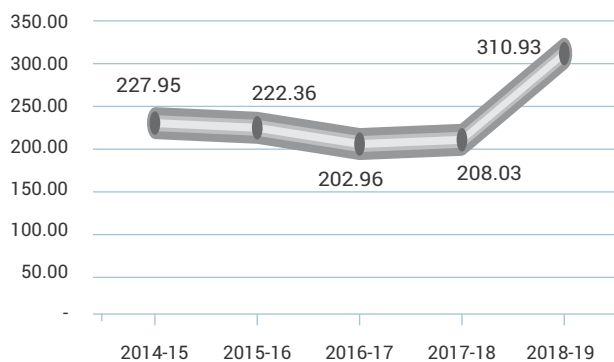
Standalone Revenue (Net) (₹ In crores)



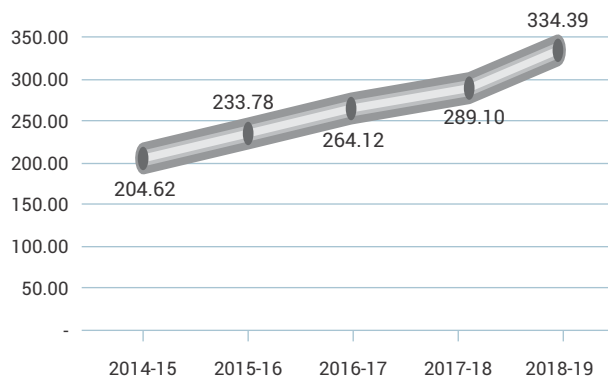
Standalone Net Worth (₹ In crores)



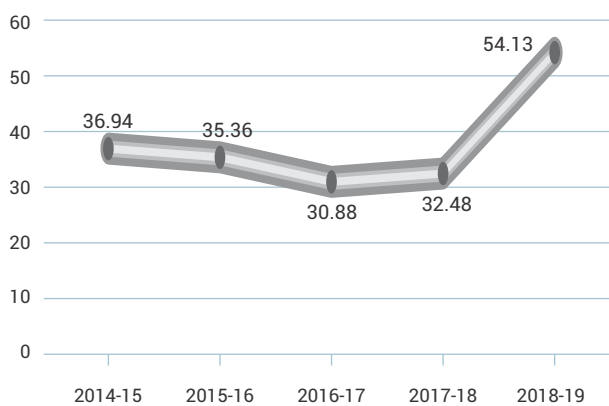
Standalone Cash generated from Operations (₹ In crores)



Standalone Book Value per Share (₹)



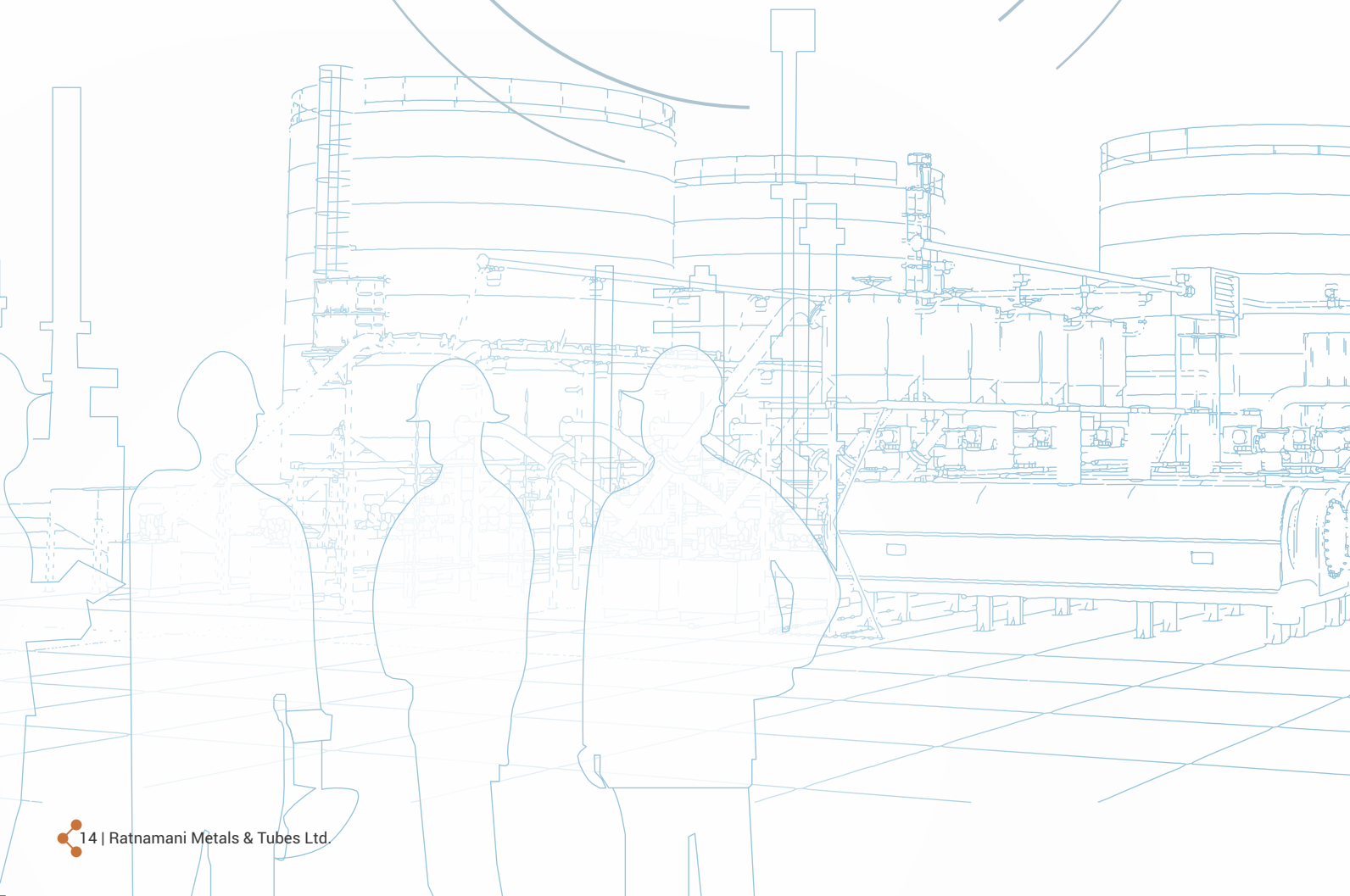
Standalone Earnings per Share (₹)





Standards

**OF THE HIGHEST
ORDER**



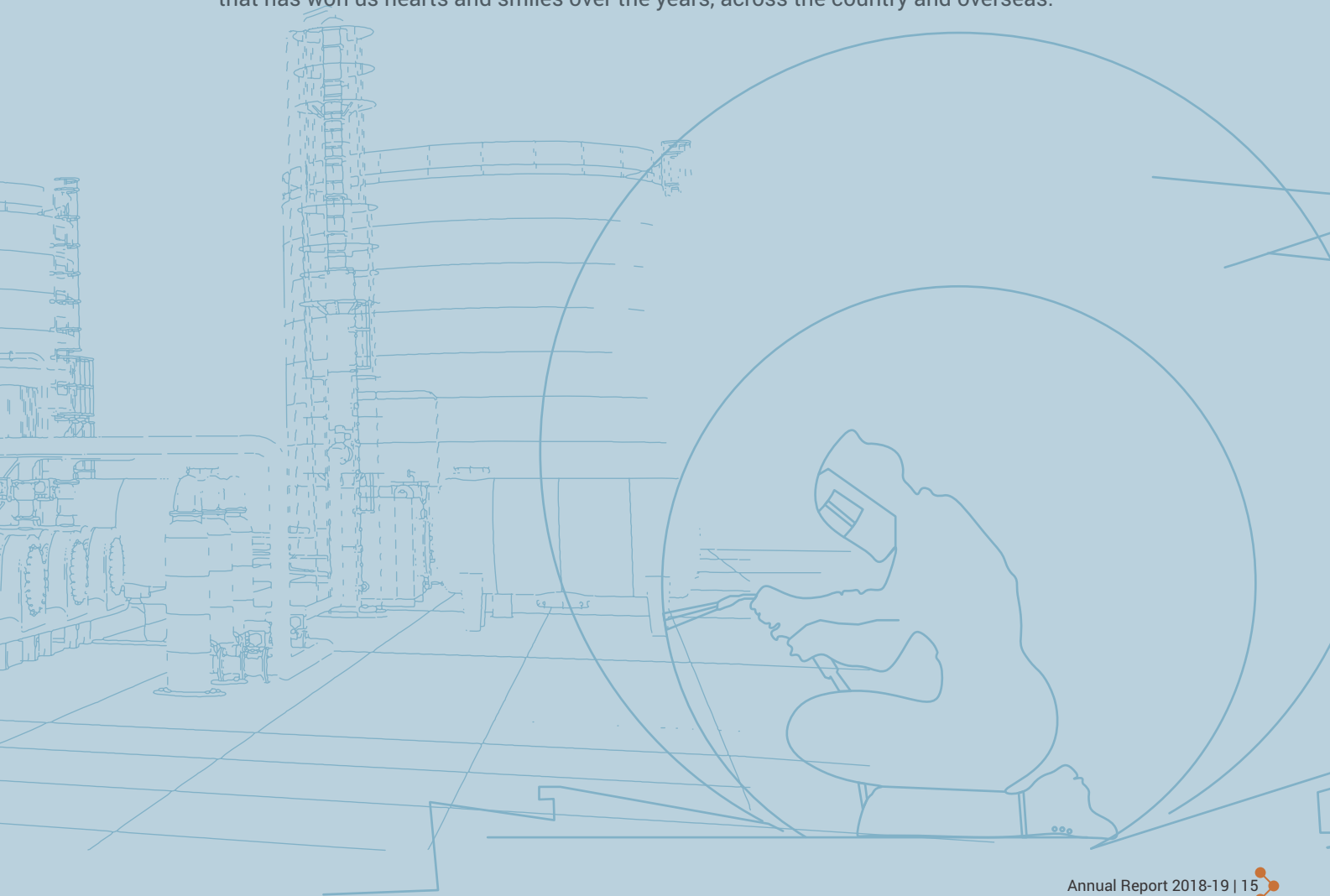
We manufacture to specifications, but we set our own high standards – all along the value chain. It's all about getting the process right so that the product turns out great.

It starts with our suppliers – be it domestic or international. We see to it that they follow standards similar to those we set for ourselves. We source material and machine only from proven vendors, those who have been delivering consistently on quality and timelines over the years.

However, good material and equipment will only go so far. Our in-house processes and systems are primed to handle them the best way possible. We have the manufacturing versatility to process both large and small orders; we also have the capability to produce the largest range under one roof. If clients are looking for the one-stop solution in steel pipes and tubes, Ratnamani is it.

Since we manufacture to specifications, testing is of course a must. But, what distinguishes us are robust R&D setups and testing cycles. Our battery of tests are rigorous enough to examine every aspect of the production cycle; they are sensitive enough to pick up the smallest of variations from the norm.

We are so conscious of quality that we don't commit to orders if we are not absolutely sure we can deliver to the highest standards. Of course, business volumes are important, but they cannot happen at the expense of quality. It is this uncompromising attitude to excellence that has won us hearts and smiles over the years, across the country and overseas.



SETTING THE BAR HIGH

Our manufacturing strengths make it possible for us to be a multi-product company. It is because of this that we are able to cater to a wide variety of clientele and niche segments.

The largest manufacturer of Stainless Steel Seamless and Welded Pipes & Tubes in India

The Country's largest manufacturer of Nickel Alloy Pipes & Tubes and Titanium Welded Tubes

One of the major manufacturers of Carbon Steel Welded Pipes (ERW, L-SAW & H-SAW)

State-of-the-art manufacturing and testing facilities at Kutch, Chhatral and Indrad in Gujarat





YOU NAME IT, WE DO IT

STAINLESS STEEL DIVISION

PRODUCT

Heat Exchanger Tubes

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

Stainless Steel Seamless

Instrumentation Tubes

Stainless Steel Pipes

Stainless Steel Seamless Pipes
Stainless Steel Welded Pipes
Stainless Steel 3LPE (3-Layer
Polyethylene) / 3LPP (3-Layer
Polypropylene) Coated Pipes

END-USER INDUSTRY



Oil & Gas



Refineries &
Petrochemicals



Chemicals
& Fertilizers



Pulp & Paper



De-salination



Nuclear, Thermal
& Solar
Power Plants



Defence

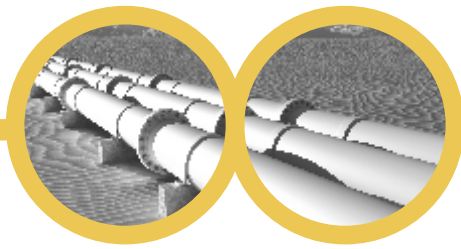


Atomic Energy



Aerospace





CARBON STEEL DIVISION

PRODUCT

High Frequency Electric Resistance Welded (HFW-ERW) Pipes

END-USER INDUSTRY



Oil & Gas Pipelines



Water Supply Systems



General Purpose Applications



Structural Pipes

Submerged Arc Welded (SAW) Pipes
– H SAW & L SAW
and Mobile Plant



Oil & Gas Pipelines



Spur Lines



City Gas Distribution



Pipes for Potable Water



Refineries & Petrochemicals



Power Plant – Cooling Water, Auxiliary Cooling Water Line & Ash Handling Line



Water & Sewerage



Structural – Piling & Casing Pipes and Structural Columns



Distribution & Transmission Lines for Irrigation Systems



Other industrial uses – Pipes for Fertilizer Plants, Mining, Dredging Pipes, Air Ducts, etc.



Pipe Coating Solutions

EXTERNAL:

Carbon Steel 3LPE (3-Layer Polyethylene) / 3LPP (3-Layer Polypropylene) / DFBE (Dual Layer Fusion Bonded Epoxy) / FBE (Fusion Bonded Epoxy) and all other prevalent Coatings



Oil & Gas Pipelines



Water Pipelines



Effluent Lines

INTERNAL:

Food Grade Epoxy / Polyurethane / Coal Tar Epoxy / Cement Lining and other prevalent Coatings

INDUCTION BEND



Refineries



Power Plants



Structural Pipes



Oil & Gas Pipelines

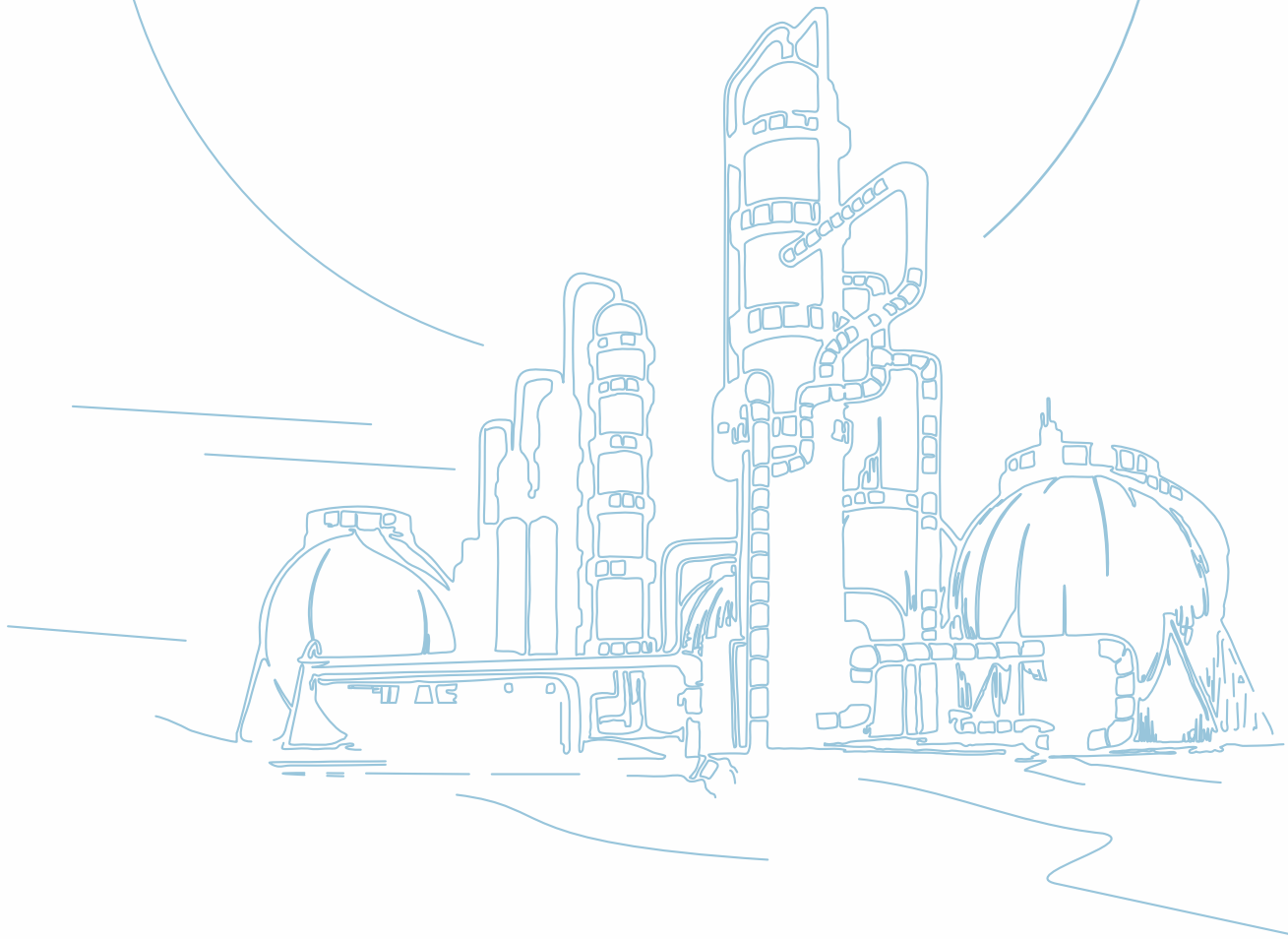



Other Industries



Seal

OF APPROVAL





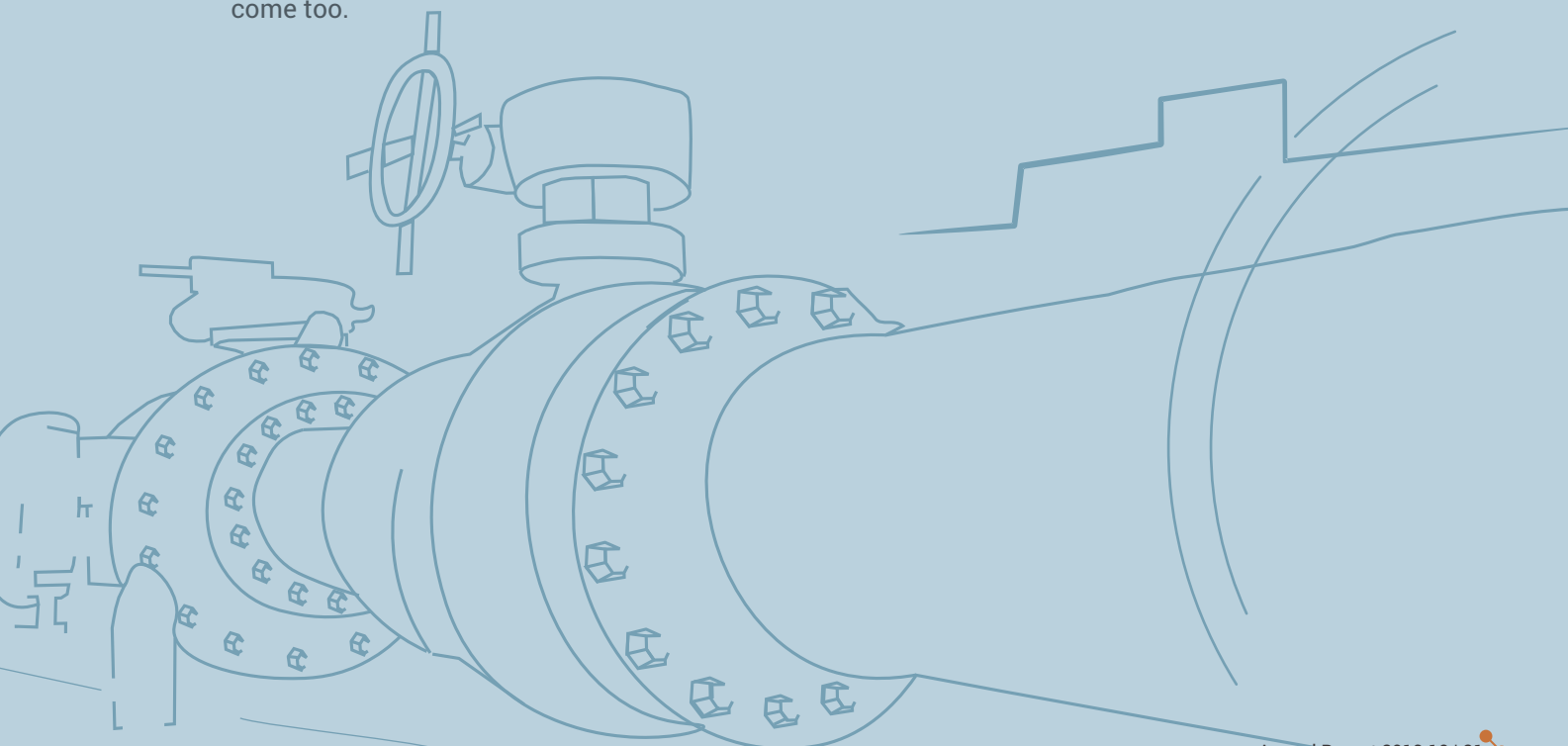
For us, the 'Seal of Approval' is not something inscribed on paper like a stamp; it is a feeling we believe we generate among those we have touched with our products, services and activities. As the branding pioneer Walter Landor had famously said, "Products are made in the factory, but brands are created in the mind."

The Ratnamani brand has over the years quietly burrowed its way into the hearts and minds of clients as well as other stakeholders. Although we serve Fortune 500 companies and Indian Navratnas, we prefer to keep a low profile. Rather than publicity, we let our products and projects do all the talking. Of course, such a seal of approval had to be earned (as it should be). Over the years, we have delivered consistently on quality and reliability – project after project, client after client. This has happened because we have been focusing and ploughing back profits into things that matter most.

We have been upgrading, modernizing and streamlining facilities to keep them performing at top-notch levels. It is this 'no slacks' approach to quality and delivery that continues to wow clients in India and abroad. At the end of the order cycle, new clients quickly develop faith in our capabilities; old clients have their faith reinforced. It allows them to trust us with both greater volumes as well as higher-end products the next time around.

We are happy that greater business volumes are yielding larger market shares in existing segments. We are also excited about another trend – a move up the value chain, especially into niche segments. For instance, our new Hot Extrusion Press will not only open up new vistas of business but also help us move into higher margins.

Among things that matter most for us is of course community approval. We have ensured it through our impactful interventions in critical sectors like Education, Health & Sanitation, Rural Transformation and Women Empowerment in certain regions that need them the most. We are also contributing our mite to Ecological Conservation through our 'Save the Sparrow' campaign in Gujarat. We expect to keep expanding such a circle of approval for Ratnamani in the years to come too.



MARKET FRIENDLY

The Ratnamani name rings a bell everywhere in the industry, both at home and abroad. There is a sense of familiarity about the name, either because the particular client had already engaged in business with the Company himself, or has heard from someone else about it. We are in the good books of numerous clients because of our high standards of quality and delivery. We are also known for our ability to serve both niche and volume markets.

The higher end of the market

By cultivating what was then a market gap in India, we have become the undisputed market leader in the country's Stainless Steel Pipes and Tubes industry. It is a matter of great pride that we are the preferred supplier in high-end niches like nickel, titanium and exotic steel alloy products. We are also making a name for ourselves with our ability to turn out products that rival the quality of costly imported items, only at cheaper rates. Our ongoing Stainless Steel capacity augmentation will add further depth to that capability, enabling us to create newer market niches. We are also engaging in capacity conversion to take advantage of emerging opportunities. With some modifications, Stainless Steel capacities can be converted to manufacture Titanium Tubes, the market for which is on the ascendant now. Being import substitutes, Titanium products are considered higher end compared to standard Stainless Steel Tubes.

The volumes game

We have the reputation of being a one-stop shop; we can deliver the most comprehensive range of products – be it in size, or thickness or grade. Our production facilities are also equipped to handle both small and large orders, making us the most versatile producer around. An ongoing L-SAW capacity replacement and addition initiative will help us clinch larger orders in an expanding market.

The promising sectors

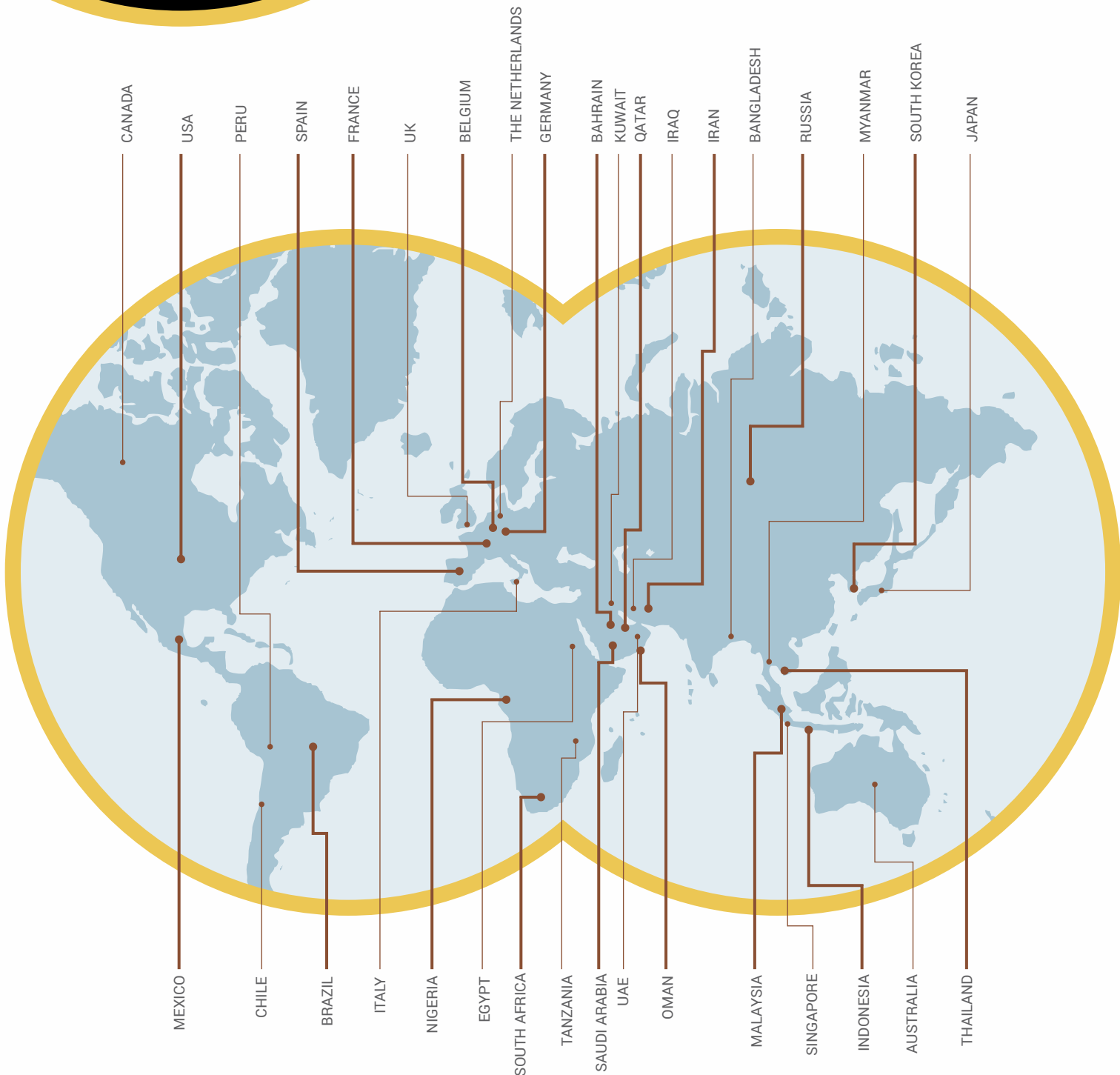
Oil and Gas is right at the top of the sectors promising both high-end as well as volumes business. On the domestic front, the government is firmly committed to deliver gas to every village in the next five years. All the City Gas Distribution (CGD) Bidding Rounds right up to the latest 10th Round, have elicited a massive response from the private sector. Since, city gas networks use ERW pipes, we are ready to ramp up ERW capacity at low additional investment to meet the new demand. We also foresee extra ERW orders from the product pipelines of IOCL, HPCL and BPCL. The new L-SAW capacity will cater to greater business in project piping. A slew of investments happening for refineries, petrochemical complexes and LNG Terminals across the country are expected to fuel our growth too.

Power, including Nuclear and Thermal, is also a sector with great promise. Nuclear Power is gaining high visibility with LPCL's plant in Haryana and Russia's Rosatom investing in Kudankulam. Since all these investments have to satisfy the 70% localization requirement and since we are already approved by Nuclear Power Corporation, we anticipate more business going forward. We foresee good business from the Fertilizer sector too. Water sector is also expected to yield good business for us. We are strategically located to serve water projects in Gujarat, Rajasthan, Madhya Pradesh and Maharashtra.





Internationally, we expect greater demand from Saudi Arabia, Qatar, Abu Dhabi and Thailand, among other countries.



SOCIAL ASSETS



We believe true performance of a company goes beyond economic returns to encompass social returns too. Since we are part of the society, we believe in giving back to it, developing social assets that generate inclusive growth and development. As a responsible corporate entity, we have been focusing on sectors that ultimately create a productive population – Education, Health & Sanitation, Rural Transformation, Women Empowerment, Water Conservation and Ecological Conservation. We would like to think that, in the process of doing so, we have ourselves become social assets for the beneficiary communities.

Education: the great differentiator

Access to Quality Education is a major concern for rural communities. Ratnamani Education Campus started in Bechraji of Gujarat is working towards addressing that lacuna. It provides free quality education from primary level up to college level on Arts, Science and Commerce for the needy. It also ensures adequate nutrition through wholesome food. The educational complex is well equipped with modern infrastructure, library, science labs, canteen amenities, separate hostels for boys and girls, sports facilities, playground and a lush green garden. At a backward village like Nenava, we are supporting a primary school and a high school, upgrading facilities like washrooms and kitchens, and inducting people to overcome staff and teacher shortage. We also make available education material and mid-day meals. We are working hard to improve school enrolments and the literacy rate in the area. We bring over deserving students to our Bechraji campus to facilitate their higher education. We are running an ITI in PPP mode with the government to turn out industry-ready workforce. We are also developing a kindergarten school at Bimasar, near Gandhidham.

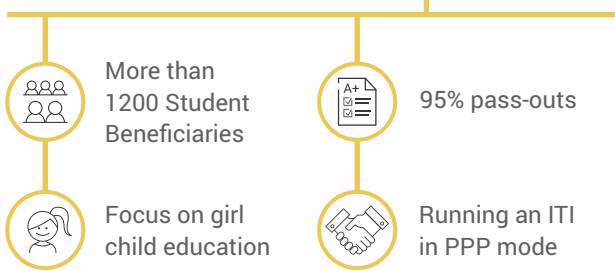
Health and Sanitation

In pursuit of the Central Government's Swachhata Mission, we are doing our own bit towards cleanliness and eradicating open defecation. Rather than installing toilet blocks that largely remain unused by the village folk, we are developing household sanitary complexes equipped with good facilities and steady water supply.



Already constructed 345 household sanitary complexes in 6 different villages

Bimasar (25), Satapar (15), Tapar (75), Indrad (65), Nenava (121) and Dhanot (44)



Rural Transformation

Our Company has been instrumental in aiding the transformation of Nenava village located in Banaskantha district. We have helped build adequate roads and other basic infrastructure. We are working towards water security in arid areas by deepening ponds at various villages to collect more rainwater.

Women Empowerment

We have been continuously working towards empowerment of girls and women of Nenava village by sharpening their vocational skills and making them employment ready through training in Sewing and Embroidery, Mehendi, Art & Crafts, Gruh Udyog (Cottage Industry), etc.



More than 300 female beneficiaries of our vocational training modules



Ecological Conservation

The disappearance of ecological systems presents a grave threat not only to the survival and sustainability of several species, but also of humankind. At Ratnamani, we view ecological restoration as a priority. Towards that end, we have engaged in the plantation as well as maintenance of trees in the vicinity of our facilities. We are mindful of the fact that plantation should be of native species only. Local tree species are perfectly adapted for the local environment; they help restore local ecologies and do not present the threat of foreign species that could be invasive and compromising the ecological balance. To save sparrows from becoming endangered due to the effects of modernization, we have initiated a 'Save the Sparrow' campaign and are distributing scientifically designed nests all over Gujarat.



More than 1000 trees planted and maintained
Some trees reaching heights of about 20 feet
58,000+ scientifically designed sparrow nests distributed free of cost



BOARD OF DIRECTORS



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



Shri Prakash M. Sanghvi

Shri Prakash M. Sanghvi is the promoter of the Company and Executive Director on the Board of the Company. He has over 42 years of experience in the Metal Industry 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 stakeholder's Value.



Shri Jayanti M. Sanghvi

Shri Jayanti M. Sanghvi is the promoter of the Company and Executive Director on the Board of the Company. He has over 39 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 of the Company and Executive Director on the Board of the Company. He has over 37 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.



Dr. Vinodkumar M. Agrawal

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



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 M.B.A. from IIM, Ahmedabad and has worked with Citi bank and UTI.



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 by qualification.

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

MANAGEMENT DISCUSSION & ANALYSIS

1. Another record-breaking year in a row

If the financial year 2017-18 was a breakout year for Ratnamani, financial year 2018-19 has proved to be a blockbuster year for the company with all its major business segments posting record turnover, capacity utilisation and order booking. Revenue from operations jumped-up to ₹ 2754.90 Crore in F.Y. 2019 from ₹ 1789.81 Crore in F.Y. 2018. The total income on Standalone & Consolidated basis for F.Y. 2018-19 at ₹ 2796.13 Crore shot up by 53.44% from the previous financial year. Profit After Tax for the year at ₹ 252.93 Crore increased by 66.63% compared to the previous financial year.

KEY FINANCIAL RATIOS FOR THE F.Y. 2018-19 COMPARED TO THE F.Y. 2017-18:

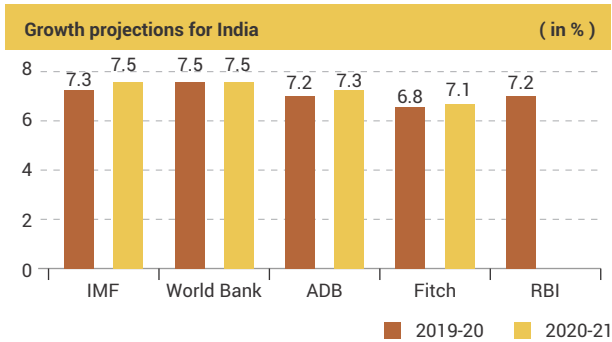
Reference	Particulars	F.Y. 2018-19	F.Y. 2017-18	Change in %	Explanation
PROFITABILITY RATIOS (%)					
(a)	Operating Profit Margin	16.01	16.58	(3.43)	-
(b)	Net Profit Margin	9.05	8.33	8.64	-
(c)	Return on Net Worth	16.62	11.60	43.28	Improved Profitability
WORKING CAPITAL RATIOS					
(d)	Debtors Turnover (Days)	67.59	100.27	32.60	Better average realisation period
(e)	Inventory Turnover (Days)	77.11	93.10	17.18	-
GEARING RATIOS					
(f)	Interest Coverage	-	-	-	Not Applicable
(g)	Debt / Equity	-	-	-	Co. does not have Long Term Debt
LIQUIDITY RATIO					
(h)	Current Ratio	2.91	3.13	(7.03)	-

2. The economic scenario:

One year ago, economic activity was accelerating in almost all regions of the world and the global economy was projected to grow at 3.9% in 2018 and 2019. One year later, much had changed, the escalation of US-China trade tensions, macroeconomic stress in Argentina and Turkey, disruptions to the auto sector in Germany, tighter credit policies in China, and financial tightening alongside the normalization of monetary policy in the larger advanced economies have all contributed to a significantly weakened global expansion, especially in the second half of 2018.

Global growth, which peaked at close to 4% in 2017, softened to 3.6% in 2018, and is projected to decline further to 3.3% in 2019. Although a 3.3% global expansion is still reasonable, the outlook for many countries is very challenging, with considerable uncertainties in the short term, especially as advanced economy growth rates converge toward their modest long-term potential. With improvements expected in the second half of 2019, global economic growth in 2020 is projected to return to 3.6%. Beyond 2020, growth should stabilize at around 3.5%, bolstered mainly by growth in China and our country and their increasing weights in world income.

The Indian economy started the FY2019 with a healthy 8.2% growth in the first quarter on the back of domestic resilience. Growth eased to 7.3% in the subsequent quarter due to rising global volatility, largely from financial volatility, normalized monetary policy in advanced economies, externalities from trade disputes, and investment rerouting. Further, the INR suffered in the wake of the crude price, and conditions exacerbated as recovery in some advanced economies caused faster investment outflows. Despite softer growth, the Indian economy remained one of the fastest growing and possibly the least affected by global turmoil. In fact, the effects of such external shocks were contained in part by our country's strong macroeconomic fundamentals and responsive policy changes. The improving macroeconomic fundamentals have been further supported by the implementation of reform measures, which facilitated an environment to boost investments and ease banking sector concerns. The RBI has lowered its policy interest rate twice by 25 basis points to 6.00 % during its April 2019 meeting; it was the second straight interest rate cut so far this year. Together, these augur well for a resurgent growth path for the economy. Although growth projections for India vary for different global economic institutions, all of them predict higher or same growth rates going forward.



According to IHS Market, the London-based global information provider, in a note on the recent election verdict delivering a large parliamentary majority to the ruling party, the continuity of macroeconomic government policies and reforms is likely to yield growths averaging 7% per year over the 2019-23 period. "India is forecast to become the world's fifth-largest economy in 2019, reaching a total GDP size exceeding \$3 trillion, and overtaking its former colonial ruler, the United Kingdom. By 2025, Indian GDP is also forecast to surpass Japan, which will make India the second largest economy in the Asia-Pacific region," it said. It may be noted that our country has already surpassed France to become the sixth largest economy backed by gradual revival in investments, especially with a greater focus on infrastructure development.

Against this backdrop, infrastructure remains a key tool to address developmental gaps as it is considered a catalyst to lift the economy out of the worldwide financial turmoil. Infrastructure combined index measures the performance of eight core industries with aggregate weightage of 40.27% in the IIP i.e., refinery production (28.04%), electricity generation (weight: 19.85%), steel production (17.92%), coal production (10.33%), crude oil production (8.98%), natural gas production (6.88%), cement production (5.37%) and fertilizers production (2.63%). The cumulative growth in the index of eight core industries was 4.1% in 2017-18 and 4.1% year-on-year in Apr-Jan 2018-19. (Source Tradingeconomics.com / Office of the Economic Advisor to the Govt. of India)

3. Steel Pipes and Tubes:

The Steel Pipes and Tubes industry in Our country holds enormous growth potential which is as yet under-tapped. It has gathered momentum on the strength of a domestic boom led by infrastructure and significant growth spurts from sectors like Oil & Gas, Petrochemicals, Water, Irrigation, Sewage, Fertilizers, Power and Energy.

Internationally, several upcoming pipeline project investments are expected to multiply opportunities in the global pipe industry. It is predicted that the major demand for steel pipes would come from Gulf countries and Asia, with the US on its way to becoming an emerging replacement market. After Europe and Japan, our country ranks among the top three manufacturing hubs in the global pipe industry. Our country extensively

exports pipes to countries like US, Europe, South East Asia, the Middle East, and Africa. It is a preferred pipes exporting country owing to its competitive pricing, high quality and location advantage.

Quality assurance is a major demand driver in the international market. We have worked hard to ensure superior quality products for our clients. Easy port connectivity from Kandla and Mundra ports gives our company the advantage of logistics and low transportation costs to keep prices competitive. After establishing ourselves as one of the leading infrastructure product manufacturers in our country, we are all geared to make our presence felt in countries like Australia, Canada, Germany, Qatar, UAE, and Denmark, among others.

Stainless Steel Division maintaining the tempo

The Company's Stainless Steel Division manufactures Seamless and Welded Pipes, Heat Exchanger Tubes, Instrumentation Tubes, Welded Titanium Tubes and Seamless Tubes made of Exotic Alloys (Incoloy, Inconel and Monel).

The company foresees a stronger order position for this Division, given high visibility in the following sectors of its interest:

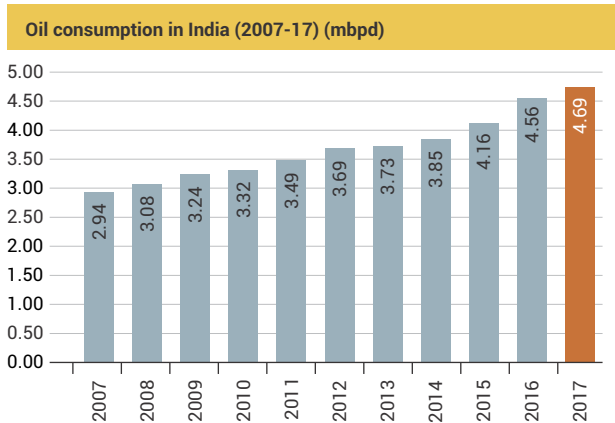
Oil & Gas and Petrochemicals & Refineries Sector

As of January 1, 2019, the oil refining capacity of our country stood at 249.4 million tonnes, making it the second largest refiner in Asia. Private companies own about 35.62% of the total refining capacity. [Source: IBEF]

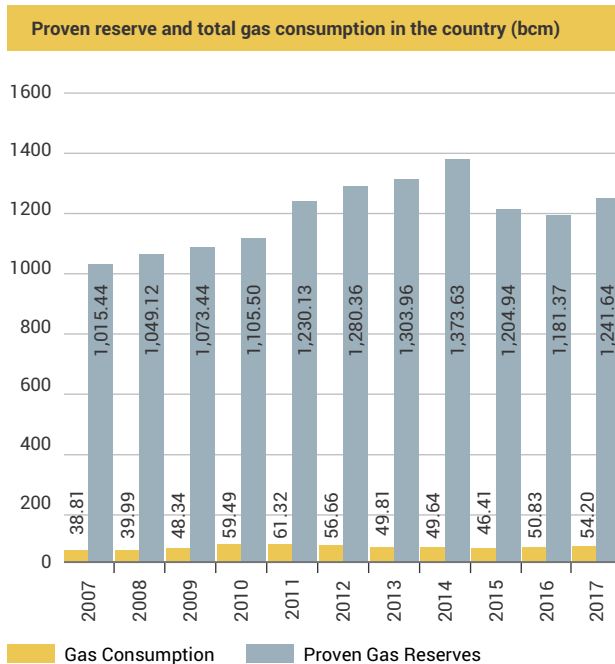
Our country is the world's third largest consumer of energy and oil & petroleum products and fourth largest LNG importer. LNG imports into the country accounted for about one-fourth of total gas demand, which is estimated to further increase by two times, over next five years. To meet this rising demand the country plans to increase its LNG import capacity to 50 million tonnes in the coming years.



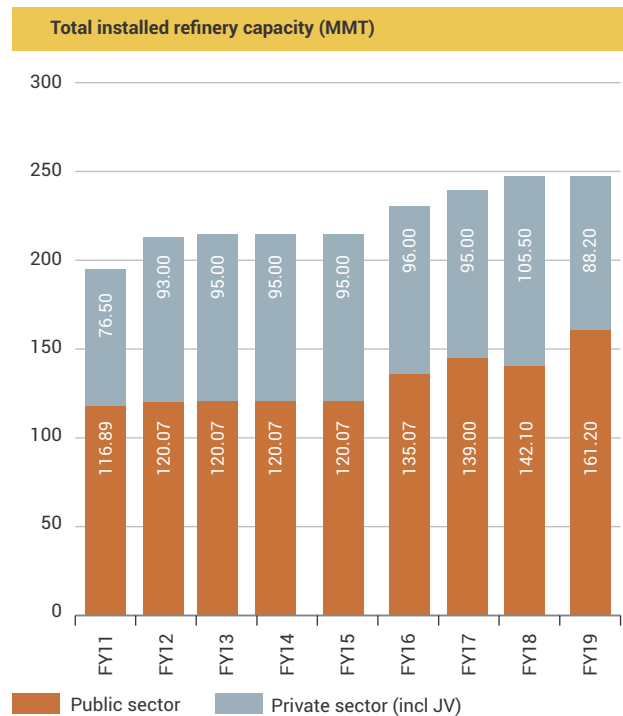
Oil consumption has expanded at a CAGR of 4.78% during 2007–17 to reach 4.69 million barrels per day (mbpd) by 2017. Rapid economic growth is leading to greater outputs, which in turn is increasing the demand of oil for production and transportation.



Our country's gas consumption has increased at a CAGR of 3.40% between 2007 and 2017. Demand is likely to be sustained on the back of strong economic growth and rising urbanisation. Gas consumption is projected to reach 143.08 billion cubic metres (bcm) by 2040. The government is planning to invest US\$ 2.86 billion in the upstream oil and gas production to double the natural gas production to 60 bcm and drill more than 120 exploration wells by 2022.



Our country has 23 refineries, out of which 18 are in the public sector, two in the joint sector and three in the private sector. Crude oil throughput of public sector refineries has grown at a CAGR of 3.68% from 108.03 MMT in FY07 to 160.77 MMT in FY18. During the same time, crude oil throughput of private sector refineries has grown at a CAGR of 9.55% from 33.43 MMT to 91.16 MMT. As of Mar 01, 2019, the sector's total installed provisional refinery capacity was 249.4 MMT. IOC emerged as the largest domestic refiner with a capacity of 69.2 MMT. The top three companies - RIL, IOC and BPCL contribute around 70.46% of India's total refining capacity.



Our country is one of the largest exporters of refinery products due to the presence of various refineries. The country had the fourth largest oil refining capacity and fourth largest refinery throughput globally in 2017. [Source: IBEF]. The country is poised to be a refining hub. Fresh investments and increase in the capacities of the present refining capabilities are already committed to by major Oil companies like IOCL, HPCL, BPCL, HMEL, etc. New Grass Root Refineries, at least one in the Western sector of our country and one in the Southern sector are likely to come up.



With the introduction of BS VI (Bharat Stage VI motor vehicle emission standards) and the pressure on the Refineries to improve their efficiencies in recovery, the existing Refineries in the Public Sector Undertakings in our country are in the process of going for Vacuum Distillation and Crude Oil Distillation. The investments will require large volumes of tubes & pipes in exotic alloys in both Welded & Seamless variants apart from normal Austenitic / Duplex / Super Duplex Stainless Steel grades.

A large number of LNG terminals coming up not only in our country but across the globe are portending a brighter future for our division. Since LNG terminals need a lot of Stainless Steel tubes & pipes, such projects both at home and abroad would yield business for our company in the current as well as coming years.

With exploration and production of natural gases getting deeper into the earth's crust, the extracted gases are becoming increasingly corrosive. The result is that usage of low or higher Alloy Carbon Steel pipes for transportation of gases will change drastically. Instead, exotic alloys will be used across the globe. Other than in our country, brownfield and greenfield Refineries are also coming up in Singapore, Middle East and in the African region. Being a premier supplier to prestigious projects across the world puts Ratnamani in a vantage position to grab the emerging opportunities in a big way and catapult itself into the higher league of global producers.

Power – Thermal, Solar and Nuclear Sector

We would continue to maintain our business in the supplies of critical heat exchanger tubes for Thermal power plants, Solar power plants and Nuclear power plants across the globe. In the current financial year, we see a sizeable amount of business from the power sector, not only in supplies of Heat Exchanger tubes but also in the supplies of Welded Condenser tubes.

Thermal power plants in the global sector are not springing up at the same pace at which they were coming up earlier and hence, our focus is more on generating business in Solar power plants & Nuclear power plants globally. Requirement of critical tubes for Nuclear power plants across the globe is expected to fetch additional volumes in the ongoing financial year.

Nuclear power plant business is there to stay for the next 5 to 15 years. Our Company will gain substantially as our company has all the necessary capacities to produce the entire range of products required for a Nuclear power plant. We expect investments committed by the Government of India and overseas Nuclear equipment suppliers to come on-stream in the current financial year and then move smoothly ahead for the next 15 years.

Fertilizer Plants

In the last financial year, we have been successful in getting good business in the fertilizer sector. A major achievement was securing approval for supply of Urea grade tubes, which has vaulted our company into a select club. This will help our company generate business from fertilizer plants across the globe.

Atomic Energy & Aerospace

Department of Atomic Energy, Space Research Organization and Aerospace sector are future business prospects for our company. Acquiring the necessary approval for Aerospace industries will help our company in supplying critical tubing for this sector.

Investments in the Atomic Energy space in our country is on an upward trend. That should pay off for Ratnamani as the Company is one of the most trusted vendors in the sector.

Enhancement of manufacturing capabilities

The ongoing financial year will see our company join an elite group of global producers with the commissioning of its new Hot Extrusion Press. It will enhance the capacities to manufacture up to 10" NPS Seamless products in both Stainless Steel as well as in Nickel Alloys and Inconel. All efforts are being made to ensure successful commissioning of this project, early stabilization of the plant & machinery, and establishment of product quality, in order to take advantage of growing requirements of seamless pipes and boiler tubes in various sectors in the country and overseas.





Carbon Steel Division on a high-growth trajectory

Ratnamani's Carbon Steel Division manufactures Electric Resistance Welded (ERW) and Submerged Arc Welded (L-SAW, H-SAW & Circ. Seam-SAW) pipes. FY18 registered very good order inflows, including international orders. Oil & Gas contributed the most to the order basket with the orders spread largely between ERW and SAW Pipes. The Water sector also contributed handsomely to the overall sales for the year. On the international front too, the revenue realisations largely came from execution of orders from Oil & Gas and Water sectors.

We expect a sustainable order book in the ongoing financial year in view of the following developments:

Oil & Gas Transmission Lines:

As of March 01, 2019, our country had a network of 10,419 km of crude pipeline having a capacity of 145.6 million metric tonnes per annum (mmtpa). In terms of length, IOCL accounts for 50.88% (5,301 km) of our country's crude pipeline network. In terms of actual capacities, ONGC leads the pack with a share of 41.62%, followed by IOCL at 33.38%. [Source: IBEF]

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. As of March 01, 2019, Gas Authority of India Ltd. (GAIL) has the largest share (70.32% or 11,410 km) of the country's natural gas

pipeline network (16,226 km). [Source: IBEF]

Our country has six major regional natural gas markets—Northern, Western, Central, Southern, Eastern, and North-eastern out of which the Western and Northern markets have the highest consumption due to better pipeline connectivity. In the various regions, the states closer to domestic gas sources, LNG terminals, and cross country natural gas pipelines have higher natural gas penetration – states like Gujarat, Maharashtra, Andhra Pradesh and the Delhi-National Capital Region. On the other hand, states like Tamil Nadu, Punjab, Haryana, Jharkhand, Uttarakhand, Karnataka, Kerala, West Bengal, Bihar, Chhattisgarh, Madhya Pradesh, and Odisha have limited pipeline connectivity. Increased pipeline coverage will help redress this imbalance. Therein lies a huge opportunity for our company.

A total 13,489 km of Natural Gas Pipelines are under construction in Southern, Eastern and Western India. Availability of natural gas would boost fertilizer production, transportation, power generation and industrial activity. These pipelines could also stimulate demand for natural gas by adding new customers. Such trends mean good business for the Carbon Steel Division.

Upstream Oil & Gas is already a source of top-line growth for the company. This division had secured a large order for a greenfield refinery project in Nigeria. With the Refinery getting into the later stages of completion, we expect newer orders. The Grassroots Refinery at Barmer, Rajasthan is a good sign for our company, as its requirement for carbon welded pipes will be large.



Potable water transmission lines and irrigation:

Our country occupies 2% of the world's land area, contains 16% of its population and 15% of its livestock, whereas it has only 4% of its water resources. Furthermore, our country ranks 133rd out of 180 nations for its water availability and 120th out of 122 nations for its water quality. Challenges faced by the Indian water sector are due to 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, lack of technology, etc. According to estimates, our country's water sector requires investment worth US\$ 13 billion, including investments in water supply and distribution. Notable government initiatives include the Five-year Namami Gange Programme - focusing on cleaning the Ganga, National Water Quality Sub Mission on Arsenic and Fluoride -to provide safe drinking water to about 28,000 affected habitations in the country by March 2021, 'Har Ghar Jal' (water in every household) - a scheme to provide piped drinking water supply to all households by 2030.



Apart from these, company's products have a good demand potential from the oil exploration projects of ONGC under Ratna Series too.

City Gas Distribution (CGD) lines:

A new natural gas energy architecture made of LNG Terminals, Cross-Country Transmission Lines and City Gas Distribution Lines is emerging in our country. It portends big business for our company. New facilities like Hot Induction Bending, along with our mills (L-SAW, H-SAW and ERW) and coating facilities will help our company leverage this potential opportunity.

In our country's energy sector mix, natural gas occupied 6% of total energy consumption of 724 mmtoe in 2016. [Source: E&Y] The target is to increase share of gas to 15% by creating a "Gas Based Economy" by 2040. The past year has been an important one for the city gas distribution (CGD) sector. In May 2018, the biggest CGD licensing round (9th Round) offering 86 geographical areas (GAs) in 174 districts was announced. The bidding round received a good response from both domestic and global players. Over 400 bids were received for all the 86 GAs. Recently, on November 22, 2018, the foundation stone was laid for CGD projects in 65 Gas covering 129 districts. The 10th Round of bidding has also been launched for 50 GAs in 124 new districts covering 24% of our country's population and 18% of its area. After the 10th Round, 228 GAs comprising of about 70% of our country's Population, 53% of its Area, 402 districts spread over 27 states and union territories and the states of Delhi, Gujarat, Goa, Punjab, Haryana and Union Territories of Daman & Diu, Dadra & Nagar Haveli, Chandigarh would be fully covered with CGD. [Source: PNGRB]

With demand projected to grow by 30 – 40%, in general, existing water resources in many areas would be inadequate. Increasing demand cannot be met by simply developing new water resources. Rather, it will be met by a combination of improving water productivity (through water use efficiency in agriculture and significantly reduced urban non-revenue water), improved water management (such as rainwater harvesting), reuse and desalination.

With our proven competence in the water sector, we are fully geared for upcoming orders.

The 'Make in India' effect

'Make in India' initiative of the Government of India has had a positive effect on both the quantum and speed of projects approved. The initiative has also provided a boost to the local industry especially the steel sector. All tenders arising from the Ministry of Steel now have the clause of minimum 15% Domestic Value Addition, those arising from the Ministry of Petroleum & Natural Gas have a PPLC (Purchase Preference with Local Content) of minimum 20% for Indian suppliers. This has helped to curb international competition, especially from the Chinese players, and has greatly improved prospects of Indian companies.

4. Risk and Challenges:

As is typical in expanding business activities your company has become subject to a variety of risks, uncertainties and challenges. It is recognised that risks are not only inherent to any business but are also dynamic in nature. Further, the Company is susceptible to certain risks arising out of various activities undertaken in the normal course of business.

There are many constraints affecting the smooth functioning of the industry in which your company operates. The table below provides a brief overview of the most significant risks and the company's approach to managing them.

Your company is operating in a "made to order" business which is dependent upon the capex cycle in the user industries. Timely supply of raw material like stainless steel, carbon steel, nickel, titanium, etc. are essential for timely completion of the orders. Shortage of raw

Risk	Explanation	Mitigation approach
Competitor risk	Competitors find ways to bid at dramatically lower cost or bid to manufacture with better functioning/latest technologies.	<p>Your company continues to focus on being one of the most cost effective manufacturers of high end application SS pipes & tubes and welded CS pipes in the country and a value leader, striving to innovate and bring new and increased value through the innovation to our customers while at the same time working to assure that your company's operations are world class in terms of efficiency, cost and waste avoidance.</p> <p>Your company has a well developed man power pool to manufacture highest quality products, while the management provides highest importance to the Quality and technology perspective to ensure long-term sustainable growth.</p>
Foreign exchange risk	The exchange risk arises when there is a risk of appreciation of the base currency in relation to the denominated currency or depreciation of the denominated currency in relation to the base currency. The risk is that there may be an adverse movement in the exchange rate of the denomination currency in relation to the base currency before the date when the transaction is completed.	Your company has a well defined Risk Management Policy to hedge the net foreign exchange using hedging strategies (e.g. forward contracts, futures contracts, options, and swaps) to reduce the exchange rate risk.
Economic downturn	Your company's customers could be impacted by a major economic downturn resulting in lower demand for their respective projects.	<p>Your company has a highly diversified and well balanced product and customer base. The risk is therefore spread very widely on the products, customers, regional and industrial sector/segments.</p> <p>Your company's flexible business model is capable to set operational priorities in the face of changing economic scenario. Your Company uses market data intelligence to follow and anticipate developments – allowing proactive management of changing market conditions.</p>
Input cost fluctuations	Significant changes in raw material costs can impact the profitability.	Your company continues to hedge the risk by covering the raw-material on back to back basis immediately after receipt of an order.
Labour disputes	Industrial disputes lead to industrial action which impact your company's ability to meet client demands.	Your company maintains an open and positive relationship with all the employees, sub-contractors, workers, etc.; as exemplified by not a single instance of any such dispute so far.

material and electricity supply may delay the manufacturing of products of the Company. The pipes and tubes business is working capital intensive in nature. The Company's business requires long-term commitment of capital to meet the financial requirement. Further, timely availability of skilled and technical personnel is also one of the key challenges. The industry is mainly dependent on the economic scenarios and any adverse events affecting the whole economy may deteriorate the industry as well. Further, the approval process and time for certain projects, where the products of your company is to be utilized, are generally uncertain, which may delay the execution and thereby affect financials.

Your company has in place an effective risk management mechanism to identify potential risk and its timely mitigation.

5. Corporate Governance:

Your company's Corporate Governance philosophy is based on conscience, openness, fairness, professionalism and accountability. These qualities are ingrained in its value system and are reflected in its policies, procedures and systems. Your company not only believes in adopting the best corporate governance system but also in proactive inclusion of public interest in its corporate priorities. The Company has its mission, vision, goals and core values. The Company is being governed in accordance with the policies, code of conducts, charters and various committees are formed in accordance with the law to ensure governance. The Companies Act, 2013 and SEBI Listing Regulations have strengthened the governance regime in the country. Your company is in compliance with the governance requirements provided under the new law and listing regulations. The Company has adopted the policies 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 website of the Company at www.ratnamani.com. The Company has established a vigil mechanism for Directors and employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Report.

A separate report on Corporate Governance is provided together with a Certificate from the Secretarial Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations. A Certificate of the CEO 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.

6. Work Culture and Human Resources:

The management believes in team work and a corporate environment which is self-motivating. Your Company has successfully developed a work force over a period of time. The top management is acting as the governing force in creating and maintaining the corporate work culture. Our Vision is to raise our own benchmarks with every successive endeavour and it is possible only by making every employee a fully engaged and aligned team member. Your Company continues to remain focused on reinforcing the key thrust areas i.e., being the employer of choice, building an inclusive culture, building a strong talent pipeline, building capabilities in the organization and focusing on progressive employee relations policies. Accordingly, our HR policies are centred on the creation of an environment that attracts nurtures and rewards high-calibre talent. We drive sustainable growth and have been instrumental in bringing in thought leadership in building strong employee relations. Your Company continued to build on the Diversity and Inclusion agenda by building leadership capability and recognizing line managers who provide a simple, flexible and respectful work environment for their teams. Your company is developing future leaders and having the best people practices. A structured leadership development initiative has helped to build a robust talent pipeline at all levels. Our HR organisation is well-g geared towards attraction and retention of talented employees in an ecosystem that provides long-cycle professional development opportunities in various facets of steel tubes and pipes manufacturing and caters to career building aspirations of talent at all levels. During the year under review, total 2,139 Employees were on the rolls of the Company.

7. Internal Control System:

The Corporate Governance Policy guides the conduct of affairs of your Company and clearly delineates the roles, responsibilities and authorities at each level of its three-tiered governance structure and key functionaries involved in governance. The Code of Conduct commits management to 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, and, together with the 'Strategy of Organisation', Planning & Review Processes and the Risk Management Framework provide the foundation for Internal Financial Controls with reference to your Company's Financial Statements. Such Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully selected by management and approved by the Audit

Committee and the Board. These Policies are 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 reviewed and updated from time to time. These, in turn are supported by a set of divisional policies and SOPs that have been established for individual businesses. Your 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. Your Company has in place adequate internal financial controls with reference to the Financial Statements. Such controls have been tested during the year and no reportable material weakness in the design or operation was observed. Nonetheless your 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. Your Company has also put in place comprehensive systems and procedural guidelines concerning other areas of business, too, like budgeting, execution, material management, quality, safety, procurement, asset management, human resources etc., which are adequate and necessary considering the size and level of operations of the Company. The management has been making constant efforts to review and upgrade existing systems and processes to gear up and meet the changing needs of the business.

Outlook

The industry is abuzz with news of high-visibility investments in domestic oil Refineries and exciting opportunities emerging in other segments. With new capacities and facilities, your company is fully equipped to exploit the upcoming prospects.



Business Responsibility Report

Your Directors are pleased to present the Business Responsibility Report of the Company for the Financial Year ended on 31st March, 2019.

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, 2018 to 31st March, 2019
7	Sector(s) that the Company is engaged in (industrial activity code-wise):	
	Group	Class
	241	2410
		Sub Class
		24106
		Description
		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: <ul style="list-style-type: none"> - 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 :	The Company has its presence throughout the globe including its subsidiary Company namely "Ratnamani INC" located in the State of Delaware, Taxes (U.S.A.) and also through its agency offices. The major countries are USA, Europe, Africa, Japan, Saudi Arabia.
	(a) Number of International Locations (Provide details of major 5)	
	(b) Number of National Locations	The Company has currently its State of the Art manufacturing facilities located in Indrad, Chhatral and Kutch. The Registered Office of the Company is 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 Lacs
2	Total Turnover (INR)	₹ 2,75,490.32 Lacs
3	Total profit after taxes (INR)	₹ 25,293.21 Lacs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent ₹ 432.66 Lacs towards Corporate Social Responsibility (CSR) which constitutes 1.71% of Profit After Tax.
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 Area. c. Rural Transformation. d. Enhancing Vocational Skills amongst women and children. e. Ensuring Environmental sustainability. f. Conservation of Ecology.

SECTION C: OTHER DETAILS:

- Does the Company have any Subsidiary Company/Companies?**
Yes, the Company has one Subsidiary Company in the State of Delaware in United States of America (U.S.A.) namely "Ratnamani Inc."
- 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.
- 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.

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

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 N o t e - 1	Y	Y	Y N o t e - 2	Y	R e f e r - N	Y	R e f e r - N
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	-	Y	Y	-	-	o	Y	o
3	Does the policy conform to any national / international standards? If yes, specify? (50 words) *	Y	-	-	Y	-	-	e	Y	e
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	-	3	Y	4

SECTION D: BR 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	Prakash M. Sanghvi
3	Designation	Managing Director

- b) Details of the BR Head :

Sr. No.	Particulars	Details
1	DIN (If applicable)	00006178
2	Name	Jayanti M. Sanghvi
3	Designation	Whole Time Director
4	Telephone No.	079-27415501-04
5	Email I.D.	jayanti.sanghvi@ratnamani.com

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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 N o t e - 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.

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

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
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 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 integrity and adhere to 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 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, and to promote ethical conduct throughout the organisation 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/investors_relations.html /codes & policies /codeofconduct&www.ratnamani.com/investors_relations.html/codes & policies /policy/vigilmechanismpolicy](http://www.ratnamani.com/investors_relations.html/codes& policies/codeofconduct&www.ratnamani.com/investors_relations.html/codes& policies/policy/vigilmechanismpolicy).

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 organization.

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 31/03/2018	Received during 2018-19	Redressed during 2018-19	Pending as on 31/03/2019
Customer complaints	02	00	02	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)
- 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.).
- Solar roof panel facility has been used at Intrad Manufacturing Facility.
- CFL lights have been replaced to LED for power saving in the premises.
- Old technology air compressors by latest variable frequency driven energy efficient air compressor.

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)?

(a) 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 gardening and other processes.
- Collection of rain water at plant premises and its storage at dedicated water pond.
- Use of vegetation and food waste in making compost which in turn is used in fertilization and making of manure for the garden.
- Hazardous wastes e.g. used oil, e-wastes, batteries, etc. are disposed off only to authorized recyclers.

Principle 3: Businesses should promote the well being of all employees

1. Please indicate the Total number of employees. – 2139
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis. – 1340
3. Please indicate the Number of permanent women employees. – 10
4. Please indicate the Number of permanent employees with disabilities – 14
5. Do you have an employee association that is recognized by management – N.A.
6. What percentage of your permanent employees is members of this recognized employee association? – N.A.
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	78.50%
b) Permanent Women Employees	60.00%
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.

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 extend 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, the Company have identified potential environmental risks and its impact.

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.

- Re-use of treated effluent water in gardening and other processes.
- Collection of rain water at plant premises and its storage at dedicated water pond. The water pond's capacity is of 12,500 KL
- Use of vegetation and food waste in making compost which in turn is used in fertilization and making of manure for the garden
- Hazardous wastes e.g. used oil, e-wastes, batteries, etc. are disposed off only to authorized recyclers.
- Treated solid waste is also disposed of only to authorized land filling site.
- We have installed roof top solar system and wind power for renewable energy.

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.

Nil

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:

- Bombay Chamber of Commerce and Industry
 - Gujarat Chamber of Commerce and Industry
 - Ahmedabad Management Association
 - Process Plant and Machinery Association of India
 - Federation of Industries of India
 - 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 :

Majority of people have understood the importance of Education but Quality Education and its Access is a major concern in rural areas thus; Ratnamani Education Campus started its journey for the people of Bechradi 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 pursues for the cleanliness and eradicating open defecation. We have already constructed 345 household sanitary complexes in 6 different villages namely Bhimasar (25), Satapar (15), Tapar (75), Indrad (65), Nenava Village (121) and Dhanot (44) 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 Udhhyog etc. Classes.

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". Till date more than 50000+ nests have been distributed in the region of Gujarat.

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

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. To effectively manage, monitor and implement CSR initiatives of the company, and in terms of provisions of Companies Act, 2013, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee as a sub-committee to the Board.

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 ₹ 432.66 Lacs on CSR activities during the F.Y. 2018-19. Details of the same are mentioned in Annexure-"D" of the Directors' 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.

Directors' Report

Dear Members,

Your Directors are pleased to present the 35th Annual Report of your company along with the Audited Financial Statements of the Company for the year ended 31st March, 2019.

1. FINANCIAL RESULTS AT A GLANCE

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Revenue from Operations	2,75,490	1,78,981	2,75,490	1,78,981
Other Income	4,123	3,242	4,123	3,242
Total Income	2,79,613	1,82,223	2,79,613	1,82,223
Profit before Tax	37,056	22,788	37,055	22,786
Less: Tax Expenses	11,763	7,609	11,763	7,609
Profit After Tax	25,293	15,179	25,292	15,177

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

In F.Y. 2018-19, Total Revenue including Other Income stood at ₹ 2,79,613 lacs as against ₹ 1,82,223 lacs in F.Y. 2017-18, both at Standalone and Consolidated basis, showing an increase of 53.44%.

On Standalone basis, Profit Before Tax (PBT) stood at ₹ 37,056 lacs as compared to ₹ 22,788 lacs in F.Y. 2017-18. The Profit After Tax (PAT) was ₹ 25,293 lacs as compared to ₹ 15,179 lacs in F.Y. 2017-18. A favourable demand scenario, both in line pipes and project application pipes & tubes and a continuous focus on cost optimisation across all business segments resulted into PAT growing by 66.63%. While on Consolidated basis, Profit Before Tax (PBT) stood at ₹ 37,055 lacs as compared to ₹ 22,786 lacs in F.Y. 2017-18. The Profit After Tax (PAT) was ₹ 25,292 lacs as compared to ₹ 15,177 lacs in F.Y. 2017-18.

Domestic Revenues was ₹ 2,13,651 lacs, up from ₹ 1,28,128 lacs in F.Y. 2017-18, representing a growth of 66.75% owing to strong demand from domestic user industries. A good order inflow from export markets also benefitted the company significantly. The Revenue from exports stood at ₹ 56,041 lacs compared to ₹ 45,710 lacs last 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. DIVIDEND

Based on your company's excellent performance, the Board of Directors is pleased to recommend a dividend of ₹ 9.00 per Equity Share having face value of ₹ 2.00 each (i.e. 450% on the paid-up capital) for the financial year ended on 31st March, 2019, as against ₹ 6.00 per Equity Share in the previous year. The total dividend payout for the F.Y. 2018-19 shall be ₹ 5,070 Lacs comprising of dividend amounting to ₹ 4,206 Lacs and dividend tax of ₹ 864 lacs. The dividend payout is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution Policy of the Company is available at the web link <http://www.ratnamani.com/investorsrelations.html>.

4. TRANSFER TO RESERVES

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

5. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31st March, 2019 was ₹ 934.56 lacs divided into 4,67,28,000 Equity Shares of ₹ 2.00 each.

6. FINANCE

The Company was not having any long-term borrowings as on 31st March 2019.

7. FIXED DEPOSITS

During the year under review, your company has not accepted any deposit from the shareholders and public within the meaning of Sections 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).

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

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

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Directors

- As required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, particulars of Shri Jayanti M. Sanghvi (DIN: 00006178), Whole Time Director, seeking re-appointment at ensuing Annual General Meeting are annexed to the notice convening 35th Annual General Meeting. Further, it is recommended to re-designate him as Joint Managing Director at the ensuing Annual General Meeting.

Further, the first term of appointment of Smt. Nidhi G. Gadhecha (DIN: 06847953), Independent Director will be expiring at the ensuing 35th Annual General Meeting. Based on her skills, experience, knowledge, performance, evaluation and recommendation of the Nomination and Remuneration Committee and Board of Directors, it is proposed to re-appoint her for the second term of 5 (Five) consecutive years up to the

conclusion of the 40th Annual General meeting to be held in the calendar year 2024 or upto 8th August, 2024, whichever is earlier.

The brief resume of Smt. Nidhi G. Gadhecha, as required under Regulation 36 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, forms a part of the Notice of the 35th Annual General Meeting of the Company.

The Company has received a 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 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, they have also confirmed by way of declarations that they are not aware of any circumstances or situation, which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

b) Board Evaluation

The Nomination and Remuneration Committee and the Board of Directors of the Company had laid down the process and criteria for annual performance evaluation of the Board, its Committees and Individual Directors. The evaluation process covered aspects such as Board structure and composition, frequency of Board Meetings, participate in the long term strategic planning, contribution to and monitoring of corporate governance practices and the fulfilment of Directors' obligation and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings.

The Board at its meeting reviewed the performance of the Board as a whole, its Committees and individual Directors, taking into account the recommendation of the Nomination and Remuneration Committee and the Independent Directors, which included the evaluation of the Chairman and Non-Independent Directors of the Company.

c) Nomination and Remuneration Policy

The Board has framed the Nomination and Remuneration Policy. The salient features of the policy covers constitution of the Nomination and Remuneration Committee, criteria of appointment, qualification, duties and retirement of all Directors, Key Managerial Personnel and Senior Management Personnel and also their remuneration payable as recommended by the Nomination & Remuneration Committee, etc. The Remuneration Policy is also incorporated in the Corporate Governance Report. The same can be access from the website of the Company at the web link: http://www.ratnamani.com/investors_relations.html

d) The details of programmes for familiarisation 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

B) Key Managerial Personnel

During the year, there was no change amongst the 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, Managing Director
2. Shri Jayanti M. Sanghvi, Whole Time Director
3. Shri Shanti M. Sanghvi, Whole Time Director
4. Shri Vimal Katta, Chief Financial Officer
5. Shri Jigar Shah, Company Secretary & Compliance officer

10. 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, 2019 and of the profits of the Company for the financial year ended on 31st March, 2019.
- 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.
- 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.

11. BOARD MEETINGS

The Board of Directors met 5 (Five) times during the F.Y. 2018-19. The details of the board meetings and the attendance of the Directors is provided in the Corporate Governance Report forming part of this Report.

12. 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 the recommendations of 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.

13. STATUTORY AUDITORS

The first term of appointment of M/s. S R B C & Co., LLP, Chartered Accountants (ICAI Firm Registration No.324982E/E300003) as the Joint Statutory Auditor will be expiring at the ensuing 35th Annual General Meeting. Based upon the recommendation of the Audit Committee at its meeting held on 28th May, 2019, the Board of Directors at its meeting held on 29th May, 2019 have considered and recommended their appointment for a further period of 2 (Two) consecutive years being their second term effective from the conclusion of the ensuing 35th Annual General Meeting till the conclusion of the 37th Annual General Meeting of the Company to be held in the calendar year 2021, subject to the further approval of the Shareholders.

Further, at the 34th Annual General Meeting held on 9th August, 2018, the Shareholders had approved the appointment of M/s. Kantilal Patel & Co., Chartered Accountants, (ICAI Firm Registration No. 104744W) as the Joint Statutory Auditor for a period of 5 years commencing from the conclusion of the 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting to be held in the calendar year 2023.

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.

14. COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 ('the Act') read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant. Cost records are made and maintained by the Company as required under Section 148(1) of the Act.

Your Directors have, on the recommendation of the Audit Committee, appointed M/s. N. D. Birla & Co., Cost Accountants, as the Cost Auditor of the Company to audit the Cost accounts for the financial year 2019-20 at 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 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 35th Annual General Meeting. The Cost Auditors' Report for the financial year 2018-19 does not contain any qualification, reservation or adverse remark.

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 2019-20 along with a certificate confirming their independence and arm's length relationship.

15. SECRETARIAL AUDITORS

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 Auditors of the Company to conduct an audit of the secretarial records, for the financial year 2019-20. Your company has received consent from M/s. M. C. Gupta & Co., Company Secretaries in practice to act as the Secretarial Auditors for conducting audit of the secretarial records for the financial year ending 31st March, 2020.

During the year 2018-19, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India "(ICSI)".

16. 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.

17. 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/Function 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 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.

Our management assessed the effectiveness of the Company's internal control over financial reporting (as defined in Clause 17 of SEBI Regulations 2015) as of March 31, 2019. The Statutory Auditors of the Company have audited the financial statements included in this annual report and have issued an attestation report on our internal control over financial reporting (as defined in Section 143 of Companies Act 2013).

18. 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" 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.

19. 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.

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".

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

The Company has one Wholly Owned Subsidiary in the State of Delaware, USA in the name "Ratnamani Inc." During the year under review, the performance of the subsidiary was not so good, it declined due to lower crude prices and lower demand from Oil & Gas sector. As a consequence, the subsidiary recorded a loss of US \$ 1,891 (equivalent to ₹ 1,30,800) for the year ended on 31st March, 2019 [Previous Year: Loss of US \$ 3,033 (equivalent to ₹ 1,94,537)]. Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiary in Form AOC-1 is given in Annexure-"B". Your Directors have pleasure in attaching the Consolidated Financial Statements 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") for financial year ended 31st March, 2019 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.

Further, pursuant to the provisions of Section 135 of the Companies Act, 2013 the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the company http://www.ratnamani.com/investors_relations.html

21. 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.

The Board has during the year amended the framed "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information". The Code casts obligations upon the Directors and Officers of the Company to prevent / preserve Price Sensitive Informations, which may likely to have a bearing on the share price of the Company. Those who are in the knowledge of any such information are prohibited to use such information for any personal purpose. Similarly, the Code also prescribes how such information needs to be handled, disclosed or made available to the Public through Stock Exchanges, Company's website, Press, Media, etc. The Company Secretary & Compliance Officer has been entrusted with the duties to ensure compliance.

The Board has received CEO/CFO Certification under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

22. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms part of this Report.

23. CORPORATE SOCIAL RESPONSIBILITY (CSR)

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 salient features of the CSR Policy covers objectives, list of activities / projects, amount to be spend for the CSR activities, mode of its implementation, procedural aspects and the role of the Committee etc. The CSR Policy can be access on the Company's website at the web link: http://www.ratnamani.com/investors_relations.html

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 ₹ 432.66 Lacs on CSR activities. The detail of CSR activities and expenses are given in Annexure-"D".

24. EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form No. MGT-9 of the Company is annexed herewith as Annexure- "E" to this Report.

25. 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 - "F" to this Report.

26. SECRETARIAL AUDIT REPORT

The Secretarial Audit Report for the financial year ended 31st March, 2019 is annexed with the Directors' Report and forms part of the Annual Report as given in Annexure-"G". Further, the Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

27. BUSINESS RESPONSIBILITY REPORT

As per 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 500 listed entities based on market capitalisation. In compliance with this regulation, the Business Responsibility Report provides a detailed overview of initiatives taken by your company from environmental, social and governance perspectives. The same is out in a separate section included in this Annual Report and forms part of this Report.

28. DISCLOSURES:

A. Vigil Mechanism

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Protected disclosures can be made by a whistle blower through an e-mail, a letter to the Chairman of the Audit Committee.

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 have been placed before the Audit Committee and also before the Board for its approval.

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

C. Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

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

Further, the Company has Internal Complaint Committees for various locations of the Company in compliance with the above mentioned Act and Rules. During the financial year 2018-19, there was no complaint/case of sexual harassment and hence no complaint remains pending as on 31st March, 2019.

D. 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 nor the Whole Time Directors 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.

APPRECIATION

Your Directors wish to 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 look forward to the continued support of all 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 : 29th May, 2019

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 process for optimization, conservation of energy and absorption of technology. Major initiatives taken by the Company during the financial year 2018-19 are listed below:

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

Replacement of:

- i. Conventional light by energy efficient LED Lights.
- ii. Old motors with high energy efficient motors.
- iii. Old technology air compressors by latest variable frequency driven energy efficient air compressor

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

- i. The Company has invested in renewable energy source, i.e. Wind Mills to meet part of its power requirements and also for sale to grid. Apart from this, there has been investment on a pilot roof top solar power project in one of the plants.
- ii. Power trading through open access

III. The Capital Investment on Energy Conservation Equipments:

No significant Capital Investment has been made on Energy Conservation equipments.

B. Technology Absorption:**I. The efforts made towards technology absorption:**

- i. In-house development of import substitute products in Stainless Steel product segment.
- ii. Modification of existing machineries to produce newer grades of SS pipes & tubes.

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

The Company has successfully developed, produced and supplied higher nickel alloy tubes, an import substitute product.

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

Nil

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:

Particulars	(₹ in Lacs)	
	Current year 2018-19	Previous year 2017-18
Foreign Exchange Earnings (FOB)	₹ 54,189.25	₹ 44,379.03
Foreign Exchange Outgo	₹ 2,619.35	₹ 1,158.80

For and on behalf of the Board of Directors

PRAKASH M. SANGHVI
Chairman and Managing Director
DIN: 00006354

Place : Ahmedabad
Date : 29th May, 2019

ANNEXURE: B

STATEMENT PURSUANT TO FIRST PROVISIO 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 SUBSIDIARY COMPANY

Sr. No	1		1	
Name of subsidiary	Ratnamani Inc.,USA		Ratnamani Inc.,USA	
Reporting period	2018-19		2017-18	
Reporting currency	USD	INR(Rs./Lacs)	USD	INR(Rs./Lacs)
Exchange Rate	1 USD = ₹ 69.17		1 USD = ₹ 64.14	
Share capital	10,000.00	6.08	10,000.00	6.08
Reserves & surplus	125,672.81	86.93	127,563.43	81.82
Total Assets	136,972.81	94.74	141,036.93	90.46
Total Liabilities	1,300.00	0.90	3,473.50	2.23
Investments	-	-	-	-
Turnover	-	-	-	-
Profit before taxation	-1,890.62	-1.31	-3,052.50	-1.96
Provision for taxation	-	-	-20.00	-0.01
Profit after taxation	-1,890.62	-1.31	-3,032.50	-1.95
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 2018-19.

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 : 29th May, 2019

For KANTILAL PATEL & CO

Chartered Accountants
ICAI Firm Registration No:
104744W

per **JINAL A. PATEL**

Partner
Membership No. 153599

Place : Ahmedabad
Date : 29th May, 2019

For and on behalf of Ratnamani Metals & Tubes Limited

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

S. M. SANGHVI
Whole Time Director
DIN : 00007955

DR. V. M. AGRAWAL
Director
DIN : 00010558

NIDHI GADHECHA
Director
DIN : 06847953

VIMAL KATTA
Chief Financial Officer

J. M. SANGHVI
Whole Time Director
DIN : 00006178

D. C. ANJARIA
Director
DIN : 00008639

P. M. MEHTA
Director
DIN : 00012410

JIGAR SHAH
Company Secretary

ANNEXURE: C**CORPORATE GOVERNANCE REPORT****COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Your company's philosophy on Corporate Governance strives to achieve optimum performance at all levels by adhering to good Corporate Governance practices by fair and transparent business practices, effective management control, adequate representation of promoters and independent directors on the board, compliance of various laws.

Further, it has been strengthened through 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 in this regard. The Company's on-going contributions to the local communities through meaningful "Corporate Social Responsibility" initiatives will play a pivotal role in fulfilling our vision to be the most sustainable and competitive company in our industry.

The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees and communities surrounding its plants, transparency in decision making process, fair and ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders. The Company also believes that its operations should ensure conservation and development of economic, social and environmental capital and that the precious natural resources are utilized in a manner that contributes to the "Triple Bottom Line".

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 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 and Whole Time Directors look into 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 Executive Directors/Senior Managerial Personnel/Functional Heads assist the Chairman and Managing Director and the Senior Managerial Personnel/Functional Heads assist the Whole Time Directors 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
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.
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.
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.
Diversity	Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective.
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.
Behavioural Skills	Attributes and the competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders;

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, and it is not necessary that all Directors possess all skills/experience listed therein.

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your company immensely benefits from the professional expertise of the Independent Directors in their individual capacity as Professionals and also from Business Executives and through their valuable experience.

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, 2019, comprising of 3 (Three) Executive Directors and 4 (Four) Non-Executive Independent Directors including one Woman Independent Director.

The details of composition of the Board as at 31st March, 2019 and other information are given herein below:

Category	Name of the Director(s)	Position held	No. of Directorships in listed entities	Memberships/ Chairmanships of Committee		No. of Equity Shares held as on 31st March, 2019
				Membership	Chairmanship	
Promoter Executive	Shri Prakash M. Sanghvi	Chairman & Managing Director	1	0	0	71,86,385
	Shri Jayanti M. Sanghvi	Whole Time Director	1	2	0	39,11,025
	Shri Shanti M. Sanghvi	Whole Time Director	1	0	0	18,16,995
Independent Non-Executive	Shri Divyabhas C. Anjaria	Independent Director	2	3	3	22,065
	Dr. Vinodkumar M. Agrawal	Independent Director	1	2	0	27,500
	Shri Pravinchandra M. Mehta	Independent Director	1	0	0	7,000
	Smt. Nidhi G. Gadhecha	Independent Woman Director	1	1	0	Nil

Notes:

1. Shri Prakash M. Sanghvi, Shri Jayanti M. Sanghvi and Shri Shanti M. Sanghvi are brothers and related to each other.
2. None of the Directors on the Board is a member of more than 10 (Ten) Committees and Chairman 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.

Memberships of other Boards/ Board Committees:

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 Whole Time Director	0	1	Nil	0
Shri Shanti M. Sanghvi Whole Time Director	0	0	Nil	0
Shri Divyabhas C. Anjaria Independent Director	1	4	Gujarat State Fertilizers & Chemicals Limited	1 – Chairman 1 – Member
Dr. Vinodkumar M. Agrawal Independent Director	0	0	Nil	0
Shri Pravinchandra M. Mehta Independent Director	0	0	Nil	0
Smt. Nidhi G. Gadhecha Independent Woman Director	0	0	Nil	0

Directors' Attendance Records for the financial year ended on 31st March, 2019

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 A.G.M.
1	Shri Prakash M. Sanghvi	5	5	Yes
2	Shri Jayanti M. Sanghvi	5	5	Yes
3	Shri Shanti M. Sanghvi	5	5	Yes
4	Shri Divyabhash C. Anjaria	5	5	Yes
5	Shri Pravinchandra M. Mehta	5	5	Yes
6	Dr. Vinodkumar M. Agrawal	5	5	Yes
7	Smt. Nidhi G. Gadhecha	5	4	Yes

During the Financial Year 2018-19, 5 (Five) Board Meetings were held on 22nd May, 2018, 8th August, 2018, 3rd November, 2018, 23rd November, 2018 and 30th January, 2019. 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 22nd May, 2018, 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.

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 evaluation of the Independent Directors, the Chairman and the Non-Independent Directors was carried out by the Board. The criteria for evaluation of Independent Directors are their knowledge, expertise in their fields, contribution in important decision making in the Board and Committee Meeting. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

BOARD MEETINGS, BOARD COMMITTEE MEETINGS AND PROCEDURES

In terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as required under 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 in Board Meeting as well as Committee Meetings. The meetings are usually held at the Company's offices.

The Agenda and the papers for consideration at the Board and Committee Meeting 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 Board Meetings as and when required. The Company is also providing video conferencing facility to a Director on his/her request in advance.

The information as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being made available to the Shareholders.

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.

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 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 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, Whole Time Director.

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, 4 (Four) meetings of the Audit Committee were held on 21st May, 2018, 7th August, 2018, 30th October, 2018 and 29th January, 2019. The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company held on 9th August, 2018.

The following table summarises the attendance of the Committee members:

Name of the Director(s)	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	3
Shri Jayanti M. Sanghvi	Promoter Executive	Member	4	4

Overall Attendance: 95%

The Audit Committee meetings during the year were held as per 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.

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.
- 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. 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.
- P. Review the functioning of the whistle blower mechanism.
- Q. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees Rs.100.00 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

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.

The total fees for all services paid by the Company and its subsidiary to the statutory auditors and all entities in the network firm/ network entity of which the statutory auditor is a part, amounts to Rs. 44.32 Lacs for the F.Y.2018-19.

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, Dr. Vinodkumar M. Agrawal and Shri Pravinchandra M. Mehta, eminent professionals are members of the Committee.

Meetings and Attendance

During the year, 3 (Three) meetings of the Nomination and Remuneration Committee were held on 22nd May, 2018, 3rd November, 2018 and 23rd November, 2018. The Chairman of the Committee had also attended the last Annual General Meeting of the Company which was held on 9th August, 2018.

Name of the Director(s)	Category	Status	No. of Meetings held	No. of Meetings attended
Shri Divyabhash C. Anjaria	Independent Non-Executive	Chairman	3	3
Dr. Vinodkumar M. Agrawal	Independent Non-Executive	Member	3	3
Shri Pravinchandra M. Mehta	Independent Non-Executive	Member	3	3

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, Key Managerial Personnel and Other Employees.
2. To evaluate the performance of Independent directors and the Board of Directors.
3. Criteria of evaluation of the Independent Directors:
 - Participation in Board in terms of adequacy (time & content);
 - Contribution at meetings;
 - Guidance / support to Management outside Board / Committee meetings;
 - Fulfilment of functions;
 - Independent views and judgement.
4. To devise a policy on diversity of Board of Directors.
5. 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 lay down by the Committee.
6. To consider and recommend to the Board, the appointment and removal of Directors, other persons in Senior Management and Key Managerial Personnel.
7. Recommend to the Board, all remuneration, in whatever form, payable to the Senior Management.

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

1. To evolve 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 Key Managerial Personnel and other employee are asunder:

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.

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 2018-19 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	161.00	1,250.00	0.16	19.32	0.00	0.00	1,430.48
Shri Jayanti M. Sanghvi	124.40	750.00	1.63	14.93	0.00	0.00	890.96
Shri Shanti M. Sanghvi	104.60	500.00	1.50	12.55	0.00	0.00	618.65
Shri Divyabhash C. Anjaria	0.00	0.00	0.00	0.00	0.00	3.47	3.47
Shri Pravinchandra M. Mehta	0.00	0.00	0.00	0.00	0.00	2.96	2.96
Dr. Vinodkumar M. Agrawal	0.00	0.00	0.00	0.00	0.00	3.47	3.47
Smt. Nidhi G. Gadhecha	0.00	0.00	0.00	0.00	0.00	1.59	1.59

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

Terms of Agreement	Shri Prakash M. Sanghvi	Shri Jayanti M. Sanghvi	Shri Shanti M. Sanghvi
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 34th 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/- w.e.f. 3rd November, 2018 for each Board Meeting and for certain Committee Meetings attended during the F.Y. 2018-19.

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.

During the year, 2 (Two) meetings of the Stakeholders Relationship Committee were held on 21st May, 2018 and 3rd November, 2018. 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 the 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

Shri Jigar Shah, Company Secretary & Compliance Officer acts as the Secretary to the Committee.

Investors' 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, 2018	Received during the Year	Redressed / Attended during the year	Pending as on 31st March, 2019
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	2	2	Nil
4	Others :				
	a) Query regarding Demat Credit	Nil	Nil	Nil	Nil
	b) Non-receipt of duplicate share certificate after issue	Nil	Nil	Nil	Nil
	c) Non-Exchange of New shares	Nil	Nil	Nil	Nil
	Total	Nil	2	2	Nil

At present the entire activities related to share transfers, transmission, exchange of shares, etc. are handled by the Registrar and Transfer Agent namely Link Intime India Private Limited, a SEBI authorized 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, subdivision, 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 as per the Companies Act, 2013. The committee formulates, reviews and recommends the amount of expenditure to be incurred on C.S.R. activities and regularly monitors C.S.R. activities to accomplish the objectives of the implementation of C.S.R. policy. The C.S.R. Committee comprises of 3 (Three) Directors out of which 2 (Two) Directors are Executive and 1(One) is an Independent Director 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.

Meetings and Attendance

During the year, 2 (Two) Meetings were convened and held on 22nd May, 2018 and 8th August, 2018. All the members were present in the above meetings.

The Company Secretary acts as the Secretary to the Committee.

2.5 Risk Management Committee

Composition and terms of reference

The Company has constituted the Risk Management Committee on 10th November, 2011. The Company has formed the Risk Management Committee 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 there of from time to time.

Further, SEBI vide its notification dated 9th May, 2018 amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and made it mandatory for the top 500 listed entities to have Risk Management Committee. The Committee shall meet at least once in a year.

During the year under review, no meeting was convened or held.

Composition, Meetings and attendance

The Risk Management Committee comprises of Shri Divyabhash C. Anjaria, Independent Non-Executive Director (Chairman) and Shri Prakash M. Sanghvi, Chairman and Managing Director (Member).

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 held at "The Ahmedabad Textile Mills Association Hall, Ashram Road, Ahmedabad" and the Special Resolutions passed there are as under:

AGM	Financial Year	Date	Time	Special Resolutions Passed
32nd	2015-16	27/08/2016	10.00 a.m.	1*
33rd	2016-17	12/09/2017	10.00 a.m.	1*
34th	2017-18	09/08/2018	10.00 a.m.	4*

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

B. Postal Ballot

No Special resolution was passed through Postal Ballot during the financial year 2018-19.

4 MANDATORY & NON-MANDATORY CLAUSES

The mandatory requirements complied with are disclosed below:

Compliance of Regulation 17 to 27 and 46 of Listing Regulations

The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

The non-mandatory requirements complied with are disclosed below:

1) Audit qualifications

There are no qualifications in the Auditors' Report on the Financial Statements of the Company for the F.Y. 2018-19.

2) Reporting of Internal Auditors

The Internal Auditors directly report to the Whole Time Director.

5 DISCLOSURES

5.1 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 formed Related Party Transaction Policy and the same is hosted on the website at web link: http://www.ratnamani.com/investors_relations.html

5.2 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.

5.3 Foreign exchange risk and hedging activities

The Company has an elaborate Risk Management procedure covering Business Risk, Foreign Exchange 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. The 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. Further, the Company has no commodity price risks and no commodity hedging activities carried on by the Company.

5.4 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.

5.5 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.

5.6 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.

5.7 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.

5.8 Training of Board Members

There is no formal policy at present for training 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 representations 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.

5.9 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 profitsharing in connection with dealings in the securities of the Company.

6) CERTIFICATION

The Board has received Managing Director & Chief Financial Officer Certification under Clause 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same was placed before the Board of Directors of the Company.

7) 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 Economic Times (Gujarati)/ Economic Times (English) and presentations made by the Company to investors / analysts were also made available 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.

1) GENERAL SHAREHOLDERS INFORMATION

A. Tentative Financial Calendar for the Financial Year 2019-20

Financial Year	:	1st April, 2019 to 31st March, 2020
Financial Results		
First Quarter ended on 30th June, 2019	:	Second week of August 2019
Half year ended on 30th September, 2019	:	Second week of November 2019
Third Quarter ended on 31st December, 2019	:	Second week of February, 2020
Fourth Quarter ended on 31st March, 2020	:	Last week of May 2020
AGM for the year 2019-20	:	August / September 2020

B. Listing on Stock Exchanges

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

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

C. Listing Fees to Stock Exchanges

The Company has paid the Listing Fees for the year 2019-20 to the above Stock Exchanges.

D. Custodial Fees to the Depositories

The Company has paid custodial fees for the year 2018-19 to the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

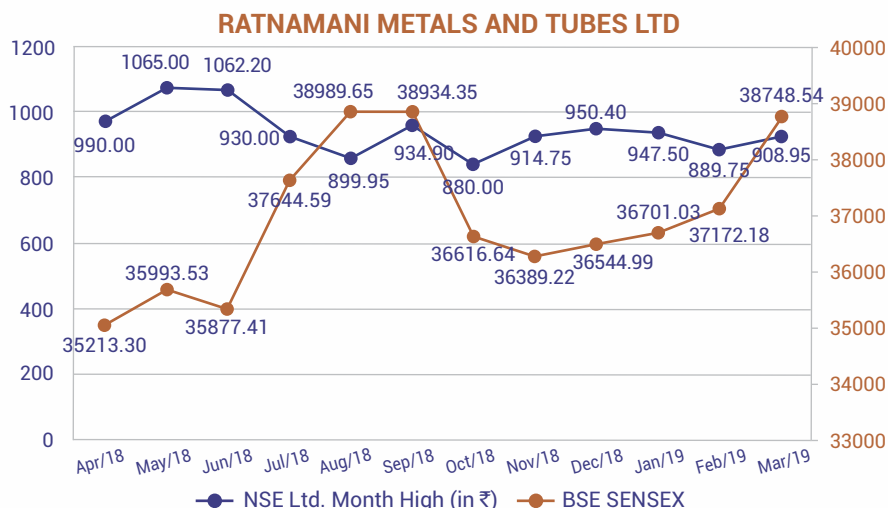
E. Stock Code / Symbol

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

F. Market Price Data

Performance in comparison to broad-based indices viz. BSE Sensex

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-18	990.00	855.00	35213.30	32972.56	20,830	1,003.95	855.15	10759.00	10111.30	1,72,295
May-18	1065.00	960.00	35993.53	34302.89	7,400	1,062.00	960.00	10929.20	10417.80	1,09,258
June-18	1062.20	906.00	35877.41	34784.68	9,256	1,062.90	901.30	10893.25	10550.90	1,22,567
July-18	930.00	833.95	37644.59	35106.57	14,241	930.00	826.05	11366.00	10604.65	96,989
Aug-18	899.95	822.50	38989.65	37128.99	20,674	903.00	827.10	11760.20	11234.95	1,75,349
Sept-18	934.90	830.00	38934.35	35985.63	15,901	929.90	823.30	11751.80	10850.30	1,67,993
Oct-18	880.00	735.95	36616.64	33291.58	10,204	869.00	753.25	11035.65	10004.55	1,03,442
Nov-18	914.75	838.35	36389.22	34303.38	8,083	967.10	824.00	10922.45	10341.90	1,30,503
Dec-18	950.40	837.90	36554.99	34426.29	5,178	949.00	842.90	10985.15	10333.85	78,671
Jan-19	947.50	780.00	36701.03	35375.51	8,68,239	951.95	826.75	10987.45	10583.65	2,00,599
Feb-19	889.75	814.25	37172.18	35287.16	12,250	885.45	822.35	11118.10	10585.65	84,774
Mar-19	908.95	859.90	38748.54	35926.94	27,484	914.90	850.00	11630.35	10817.00	3,69,555



G. Registrar & Share Transfer Agents (RTA)

Link In time India Private Limited is the Registrar and Transfer Agent of the Company.

H. Share Transfer System

In compliance with SEBI guidelines, the Company have appointed Link Intime India Private Limited as its Registrar & Transfer Agent for Physical and Electronic form of shareholding. 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. Their address for correspondence is mentioned in sub point 'Q' given herein after. In view of the above, the work for transfer of shares in physical form is also being carried out at the above address.

Further, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. With the proposed change coming into effect from April 1, 2019, Equity Shares of the Company shall be eligible for transfer only in Dematerialised form. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

I. Demat Suspense Account / Unclaimed Suspense Account / IEPF Suspense Account

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

J. Distribution of Shareholdings as on 31st March, 2019

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 to 500	9,950	89.18	9,83,428	2.10
501 to 1000	587	5.26	4,50,623	0.96
1001 to 2000	290	2.60	4,17,566	0.89
2001 to 3000	87	0.78	2,15,787	0.46
3001 to 4000	42	0.38	1,47,857	0.32
4001 to 5000	30	0.27	1,38,076	0.30
5001 to 10000	44	0.39	3,19,533	0.68
10001 & Above	127	1.14	4,40,55,130	94.29
Total	11,157	100.00	4,67,28,000	100.00

K. Category wise Shareholders as on 31st March, 2019

Category	No. of Shares	% of Shareholding
Indian Promoters and Group	2,80,79,625	60.09
Mutual Fund	40,82,834	8.74
Clearing Members	10,119	0.02
Other Bodies Corporate	8,23,865	1.76
Financial Institutions	4,156	0.01
Foreign Portfolio Investors (Corporate)	54,50,731	11.67
Hindu Undivided Family	93,647	0.20
Nationalised Banks	330	0.00
Non Nationalised Banks	1,667	0.00
Non Resident Indians	2,18,557	0.47
Non Resident (Non Repatriable)	23,522	0.05
Public	77,87,308	16.67
Alternate Investment Funds	300	0.00
NBFCs registered with RBI	1,160	0.00
Investor Education and Protection Fund	1,50,179	0.32
Total	4,67,28,000	100.00

L. Dematerialization of Shares and liquidity

The Equity Shares of the Company are traded compulsorily in the dematerialized form by all the investors w.e.f 26/03/2001. The Company has entered into an agreement with both National Securities Depository Ltd. ("NSDL") and Central Depository Services (India) Ltd. ("CDSL") whereby the shareholders have an option to dematerialize their shares with either of the depository.

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, 2019 is as under:

Particulars	No. of shares as on 31st March, 2019	% of Total Capital as on 31st March, 2019	No. of Shareholders as on 31st March, 2019
A. National Securities Depository Ltd. ("NSDL")	3,66,97,211	78.53	6315
B. Central Depository Services (India) Ltd. ("CDSL")	94,80,318	20.29	3790
1. Total Dematerialized shares	4,61,77,529	98.82	10105
2. Physical	5,50,471	1.18	1052
Total	4,67,28,000	100.00	11,157

M. Corporate Benefits to Shareholders:
a. Dividend declared for the last seven years

Financial Year	Dividend Declaration Date	Dividend Per Equity Share (in ₹)	Dividend Rate (%)	Face Value Per Equity Share (in ₹)
2017-18	9th August, 2018	6.00	300	2.00
2016-17	12th September, 2017	5.50	275	2.00
2015-2016 (Interim)	12th March, 2016	5.50	275	2.00
2014-2015	23rd September, 2015	5.50	275	2.00
2013-2014	11th September, 2014	4.50	225	2.00
2012-2013	12th August, 2013	4.00	200	2.00
2011-2012	26th September, 2012	3.00	150	2.00

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

All unclaimed dividend amount up to financial year 2010-11 have been transferred to Investors 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 9,725 equity shares to the IEPF in the F.Y. 2018-19.

N. ECS/NECS 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 the case the shares are held in physical form.

The Company uses National Electronic Clearing Services ("NECS"), which has replaced "Electronic Clearing Services" ("ECS") for remitting dividend to shareholder wherever available. The advantage of NECS over ECS including faster credit of remittance to the beneficiary's account, coverage of more bank branches and ease of operations. NECS operates on new and unique bank account number allotted by the banks post implementations of Core Banking Solutions ("CBS"). Members are requested to provide their new account number allotted to them by their respective banks after implementation of CBS to the Company/RTA in case shares are held physically and to the depository participants in respect of shares held by them in dematerialized form.

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

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

– NIL –

P. Plant Locations :

Stainless Steel ("SS") Division	Survey No. 423, Ahmedabad-Mehsana Highway, Village-Indrad, Nr. Chhatral GIDC, Taluka – Kadi, Dist. Mehsana, Pin code – 382 729, Gujarat
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.
Kutch Division (SS Div. & CS Div.)	Survey No. 474, Village: Bhimasar, Tal. Anjar, (SS Div. & CS Div.) Dist. Kutch, Gujarat

Q. Address and Contact details of the Registered Office of the Company :

Ratnamani Metals & Tubes Limited
 17, Rajmugat Society, Naranpura Char Rasta, Ankur Road, Naranpura, Ahmedabad – 380013.
 Phone No.: 079-27415501/02/03/04, Fax No.: 079-27480999, E-mail: info@ratnamani.com, Website: www.ratnamani.com.

R. Address of Registrar & Transfer Agent :

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

RTA's REGISTERED OFFICE ADDRESS

Link Intime India Private Limited
Unit: Ratnamani Metals & Tubes Ltd.
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

RTA's AHMEDABAD BRANCH ADDRESS

Link Intime India Private Limited
Unit: Ratnamani Metals & Tubes Ltd.
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 2018-19 has been received.

2. Prevention of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has amended the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons ("Insider Trading Code") and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code"), effective from 1st April, 2019. The Insider Trading Code is aimed to avoid any insider trading and it is applicable to all the designated persons who are expected to have access to the unpublished price sensitive information relating to the Company. The Company lays down the guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing in shares of the Company. The Company has also adopted the policy for determination of legitimate purposes which forms part of Fair Disclosure Code.

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 Ltd. ("NSDL") and Central Depository Services (India) Ltd. ("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. Statement of Complaints in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

No. of complaints filed during the financial year 2018-19: Nil

No. of Complaints disposed off during the financial year 2018-19: Nil

No. of pending complaints as on March 31, 2019: Nil

6. 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

7. Certification by Practicing Company Secretary

As required under Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained a Corporate Governance Compliance Certificate from M/s. M. C. Gupta & Co., Company Secretaries in practice, regarding compliance of conditions of Corporate Governance as stipulated and is annexed herewith.

8. Certification by Practicing Company Secretary regarding appointment and continuation of Directors

The Company has obtained the Certificate from M/s. M. C. Gupta & Co., Company Secretaries in practice, certifying that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

For and on behalf of the Board of Directors

PRAKASH M. SANGHVI
Chairman and Managing Director
DIN: 00006354

Place : Ahmedabad
Date : 29th May, 2019

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 2019, 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)

Place : Ahmedabad
Date : 29th May, 2019

ANNEXURE: D

REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("C.S.R.") ACTIVITIES

C.S.R. Report for the financial year ended 31st March, 2019
[Pursuant to Section 135 of the Companies Act, 2013]

<p>1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.</p>	<p>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 CSR Policy may be accessed on the Company's website at the link: http://www.ratnamani.com/investors_relations.html> Codes and Policies > Policy> CSR Policy</p> <p>The Company has identified following as focus areas of engagement:</p> <ol style="list-style-type: none"> Education: Access to quality education, training and skill enhancement. Environment: Environmental sustainability, ecological balance, conservation of natural resources. Rural Transformation: Provision of drinking water, sewage facilities, sanitation facilities, roads. Health: Affordable solutions for healthcare through improved access and awareness. Animal Welfare: Initiatives for various welfare activities towards animals Eradicating Hunger: Eradicate Hunger by providing mid- day meal. The Company would also like to undertake other need-based initiatives in future. <p>A brief account of the projects and programs that have been supported by the Company during the year 2018-19 is mentioned in Section 5 of this report in the Format given by the Ministry of Corporate Affairs.</p>
<p>2. The Composition of the CSR Committee</p>	<p>The Company has a Corporate Social Responsibility (CSR) Committee comprising of following three directors:</p> <ol style="list-style-type: none"> Shri Pravinchandra M. Mehta - Chairman Shri Prakash M. Sanghvi - Member Shri Jayanti M. Sanghvi - Member
<p>3. Average net profit of the Company for last three financial years:</p>	<p>₹ 22,102.73 Lacs</p>
<p>4. Prescribed CSR Expenditure (two percentage of the amount as in item 3 above)</p>	<p>₹ 442.05Lacs</p>
<p>5. Details of CSR spend for the financial year</p>	
<p>a. Total amount spent for the financial year: CSR Activities</p>	<p>The Company has spent ₹ 432.66 Lacs towards Corporate Social Responsibility (CSR).</p>
<p>b. Amount unspent, if any Reasons for not spending the amount</p>	<p>₹ 9.39 Lacs Our Company wants to identify the most useful and relevant purposes that will benefit the society at large and has been working on it. In the coming financial years we will try to allocate the resources in the best possible manner.</p>
<p>c. Manner in which the amount spent during the financial year</p>	<p>Manner in which the amount is spent and details are provided as given below:</p>

(₹ in Lacs)

Sr. No.	Sector	Project / Activities	Location	Outlay		Cumulative Expenditure up to reporting period	Implementing agency
				Budget	Actual		
1.	Education of children in the Rural Area	Promotion of education by enhancing infrastructural facilities	Becharaji	195.00	195.00	195.00	Shree Mahavir Education Trust
		Promotion of education and welfare for the abandoned Kids	Ahmedabad	0.40	0.40	0.40	Kavita Foundation
		Promotion of Education	Ahmedabad	11.21	11.21	11.21	Different Vendors
			Baroda	2.40	2.40	2.40	
	Promotion of Education by providing education material	Nenava	5.78	5.78	5.78	Different Vendors	
2.	Ensuring Animal Welfare	Ensuring continuous welfare of Animals	Viramgam	3.00	3.00	3.00	Sadguru Bhansaheb GCT
		Promotion of Animal Welfare by providing them the cattle feed	Bhimasar	0.51	0.51	0.51	Shree Bhimasar Gaushala Samiti
			Mehmdabad	0.51	0.51	0.51	ShriJivdaya Jan Kalyan Parivar Trust
3.	Promotion of preventive Healthcare In the Rural Area	Awareness of body organ for donation	Mumbai	21.00	21.00	21.00	Different Vendors
		Assisting the local people for Preventive Healthcare	Rajkot	108.00	108.00	108.00	
4.	Rural Transformation	Construction & sanitary blocks for the under privileged people	Dhanot	10.12	10.12	10.12	Different Vendors
			Nenava	18.59	18.59	18.59	
		Deepening of ponds	Kutch	1.56	1.56	1.56	Different Vendors
			Indrad	11.23	11.23	11.23	
	Infrastructure Development	Indrad	1.77	1.77	1.77		
5.	Enhancing Vocational Skills amongst women and children	Stitching and Sewing classes , Mehndi Class and Art & Craft Class & Gruh Udhog classes	Nenava	3.35	3.35	3.35	Different Vendors
6.	Ensuring Environmental sustainability	Plantation & maintenance of plants	Nenava	2.77	2.77	2.77	Different Vendors
7.	Conservation of Ecology	Distribution of Sparrow Nests, save the sparrow book, Bird Feeder to sensitize the society towards saving of the Birds	Ahmedabad	4.26	4.26	4.26	Different Vendors
8.	Eradicating Hunger	Providing Mid-Day Meal for school students	Ahmedabad	11.00	11.00	11.00	The Akshya Patra Foundation
	Eradicating Poverty	Distribution of materials to poor	Ahmedabad	0.20	0.20	0.20	Different Vendors
9.	P.M. Relief Fund	Flood in Kerala	Kerala	10.00	10.00	10.00	P M Relief Fund
10.	Setting of Old Age Home	Providing Old Age home material	Ahmedabad	5.00	5.00	5.00	Hari Public Charitable Trust
11.	Benefit of Armed Force Veterans	Providing help to widow of armed force	Pulwama	5.00	5.00	5.00	Jito
TOTAL				432.66	432.66	432.66	

Place : Ahmedabad
Date : 29th May, 2019

PRAVINCHANDRA M. MEHTA
Chairman of CSR Committee
DIN: 00012410

PRAKASH M. SANGHVI
Managing Director
DIN: 00006354

ANNEXURE: E**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31st March, 2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

i.	CIN	L70109GJ1983PLC006460
ii.	Registration Date	15th September,1983
iii.	Name of the Company	Ratnamani Metals & Tubes Ltd.
iv.	Category/Sub-category of the Company	Public Company & Listed by Shares
v.	Address of the Registered office & Contact details	17, Rajmugat Society, Naranpura Char Rasta, Ankur Road, Naranpura, Ahmedabad – 380013 Tel. No. 079-27415501 Fax No. 079-27480999 Email id: info@ratnamani.com
vi.	Whether listed company	Yes
vii.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited Unit: Ratnamani Metals & Tubes Ltd. 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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1.	Manufacture of tube and tube fittings of basic iron and steel	24106	98.52%

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Ratnamani INC.	N.A	Subsidiary	100%	2(87)

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

I) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01/04/2018)				No. of Shares held at the end of the year (31/03/2019)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	28079625	0	28079625	60.09	28079625	0	28079625	60.09	0.00
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
d) Bank/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL:(A) (1)	28079625	0	28079625	60.09	28079625	0	28079625	60.09	0.00
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	28079625	0	28079625	60.09	28079625	0	28079625	60.09	0.00
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	2896749	0	2896749	6.20	4082834	0	4082834	8.74	2.54
b) Banks/Financial Institutions	12947	0	12947	0.03	6153	0	6153	0.01	-0.02
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) Alternate Investment Funds	0	0	0	0.00	300	0	300	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Foreign Portfolio Investors	6335196	0	6335196	13.55	5450731	0	5450731	11.66	-1.89
j) Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
Others(specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	9244892	0	9244892	19.78	9540018	0	9540018	20.42	0.64

Category of Shareholders	No. of Shares held at the beginning of the year (01/04/2018)				No. of Shares held at the end of the year (31/03/2019)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
a) Bodies corporates									
i) Indian	859517	0	859517	1.84	823865	0	823865	1.76	-0.08
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs.1 lakhs	2533753	453681	2987434	6.39	2521695	399026	2920721	6.25	-0.14
ii) Individuals shareholders holding nominal share capital in excess of Rs.1 lakhs	5021983	0	5021983	10.75	4866587	0	4866587	10.41	-0.34
c) NBFCs registered with RBI	0	0	0	0.00	1160	0	1160	0.00	0.00
d) Overseas Depositories (holding DRs)	0	0	0	0.00	0	0	0	0.00	0.00
e) Others (specify)									
i) Non Resident Repatriates	80868	162025	242893	0.52	67112	151445	218557	0.47	-0.05
ii) Non Resident Non Repatriates	27826	0	27826	0.06	23522	0	23522	0.05	-0.01
iii) Clearing Members	31881	0	31881	0.07	10119	0	10119	0.02	-0.05
iv) Hindu Undivided Family	91495	0	91495	0.19	93647	0	93647	0.20	0.01
v) IEPF	140454	0	140454	0.30	150179	0	150179	0.32	0.02
SUB TOTAL (B)(2):	8787777	615706	9403483	20.12	8557886	550471	9108357	19.48	-0.64
Total Public Shareholding (B)= (B)(1)+(B)(2)	18032669	615706	18648375	39.91	18097904	550471	18648375	39.91	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	46112294	615706	46728000	100.00	46177529	550471	46728000	100.00	0.00

(ii) Share Holding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01-04-2018)			Shareholding at the end of the year (As on 31-03-2019)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Prakash M. Sanghvi	1605339	3.43	0.00	1605339	3.43	0.00	0.00
2	Prakashmal Mishrimal Sanghvi	3821351	8.18	0.00	3821351	8.18	0.00	0.00
3	Prakash Misrimal Sanghvi	1759695	3.76	0.00	1759695	3.76	0.00	0.00
4	Sanghvi Prakashmal Mishrimal – HUF	422330	0.90	0.00	422330	0.90	0.00	0.00
5	Prakashmal Mishrimal Sanghvi – HUF	85000	0.18	0.00	85000	0.18	0.00	0.00
6	Rashmi Prakashmal Sanghvi	1563750	3.35	0.00	1563750	3.35	0.00	0.00
7	Manoj Prakash Sanghvi	938495	2.01	0.00	938495	2.01	0.00	0.00
8	Manoj Prakash Sanghvi	31000	0.07	0.00	31000	0.07	0.00	0.00
9	Dimple Manoj Sanghvi	212500	0.45	0.00	212500	0.45	0.00	0.00
10	Nilesh Prakash Sanghvi	934800	2.00	0.00	934800	2.00	0.00	0.00
11	Shital Nilesh Sanghvi	25000	0.05	0.00	25000	0.05	0.00	0.00
12	Jigar P. Sanghvi	756320	1.62	0.00	756320	1.62	0.00	0.00
13	Payal Rajendra Doshi	0	0.00	0.00	0	0.00	0.00	0.00
14	Jyantilal Mistrimal Sanghvi	3616195	7.74	0.00	3616195	7.74	0.00	0.00
15	Jayantilal Mistrimal Sanghvi	245000	0.52	0.00	294830	0.63	0.00	0.11
16	Jayantilal Misrimal Sanghvi –HUF	416835	0.89	0.00	416835	0.89	0.00	0.00
17	Jayantilal M. Sanghvi – HUF	39830	0.09	0.00	39830	0.09	0.00	0.00
18	Sobhnadevi Jayantilal Sanghvi	456415	0.98	0.00	456415	0.98	0.00	0.00
19	Prashant Jayantilal Sanghvi	776740	1.66	0.00	776740	1.66	0.00	0.00
20	Sarika Prashant Sanghvi	175000	0.37	0.00	175000	0.37	0.00	0.00
21	Sheetal J. Sanghvi	49830	0.11	0.00	0	0.00	0.00	-0.11
22	Shantilal Mishrimal Sanghvi	1586995	3.40	0.00	1586995	3.40	0.00	0.00
23	Shantilal Mishrimal Sanghvi	230000	0.49	0.00	230000	0.49	0.00	0.00
24	Sangvi Santilal Mishrimal – HUF	462165	0.99	0.00	462165	0.99	0.00	0.00
25	Shashi Santilal Sanghvi	296000	0.63	0.00	296000	0.63	0.00	0.00
26	Shashi Shanti Sanghvi	292250	0.63	0.00	292250	0.63	0.00	0.00
27	Shashi Shantilal Sanghvi	250000	0.54	0.00	250000	0.54	0.00	0.00
28	Yashkumar Shantilal Sanghvi	182000	0.39	0.00	182000	0.39	0.00	0.00

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01-04-2018)			Shareholding at the end of the year (As on 31-03-2019)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
29	Yash Shanti Sanghvi	130000	0.28	0.00	130000	0.28	0.00	0.00
30	Pavankumar Mishrimalji Sanghvi	150000	0.32	0.00	150000	0.32	0.00	0.00
31	Pavan Kumar M Sanghvi – HUF	131250	0.28	0.00	131250	0.28	0.00	0.00
32	Pavankumar M Sanghvi	103165	0.22	0.00	103165	0.22	0.00	0.00
33	Pawankumar Mishrimalji Sanghvi	86400	0.18	0.00	86400	0.18	0.00	0.00
34	Pavankumar Mishrimal Sanghvi	318600	0.68	0.00	318600	0.68	0.00	0.00
35	Vimlaben Pavankumar Sanghvi	1402415	3.00	0.00	1402415	3.00	0.00	0.00
36	Vimla Pawan Sanghvi	21665	0.05	0.00	21665	0.05	0.00	0.00
37	Ravi Kumar P Sanghvi	255415	0.55	0.00	255415	0.55	0.00	0.00
38	Ravi Sanghvi	325000	0.70	0.00	325000	0.70	0.00	0.00
39	Chunilal Mishrimal Sanghvi	1271010	2.72	0.00	1271010	2.72	0.00	0.00
40	Sanghvi Chunilal Mishrimal – HUF	409000	0.88	0.00	409000	0.88	0.00	0.00
41	Arunaben Chunilal Sanghvi	45205	0.10	0.00	45205	0.10	0.00	0.00
42	Mahendra Chunilal Sanghvi	40000	0.09	0.00	40000	0.09	0.00	0.00
43	Usha Mahendra Sanghvi	259830	0.55	0.00	259830	0.55	0.00	0.00
44	Rishabh M Sanghvi	25000	0.05	0.00	25000	0.05	0.00	0.00
45	Vijay Chunilal Sanghavi	50810	0.11	0.00	50810	0.11	0.00	0.00
46	Chandra Vijay Sanghvi	353125	0.76	0.00	353125	0.76	0.00	0.00
47	Babulal Mishrimal Sanghvi	139330	0.30	0.00	139330	0.30	0.00	0.00
48	Babulal Mishrimal Sanghvi – HUF	505495	1.08	0.00	505495	1.08	0.00	0.00
49	Shantaben Babulal Sanghvi	528915	1.13	0.00	528915	1.13	0.00	0.00
50	Jitendra Babulal Sanghvi	247160	0.52	0.00	247160	0.52	0.00	0.00
51	Pinky Jitendra Sanghvi	50000	0.11	0.00	50000	0.10	0.00	0.00
	Total	28079625	60.09	0.00	28079625	60.09	0.00	0.00

(iii) Change in Promoters' Shareholding (specify if there is no change)

Sr. No.	Name	Shareholding			Cumulative Shareholding during the year (01/04/2018 to 31/03/2019)			
		No of Shares at the beginning of the year (01/04/18) / end of the year (31/03/19)	% of total shares of the company	Date of opening/ closing/ transfer	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the company
1	Sheetal J. Sanghvi	49830	0.11	01/04/2018	-	-	49830	0.11
			-0.05	08/03/2019	-25000	Transfer	24830	0.05
			-0.05	11/03/2019	-24830	Transfer	0	0.00
		0	0.00	31/03/2019	-	-	0	0.00
2	Jayantilal Mistrimal Sanghvi	245000	0.52	01/04/2018	-	-	245000	0.52
			0.05	08/03/2019	25000	Transfer	270000	0.58
			0.05	11/03/2019	24830	Transfer	294830	0.63
		294830	0.63	31/03/2019	-	-	294830	0.63

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sr. No.	Name	Shareholding			Cumulative Shareholding during the year (01/04/2018 to 31/03/2019)			
		No of Shares at the beginning of the year (01/04/18) / end of the year (31/03/19)	% of total shares of the company	Date of opening/ closing/ transfer	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the company
1	NALANDA INDIA FUND LIMITED	3604155	7.71	01/04/2018	-	-	3604155	7.71
			-0.01	04/01/2019	-4000	Transfer	3600155	7.70
			-1.60	25/01/2019	-750000	Transfer	2850155	6.10
		2850155	6.10	31/03/2019	-	-	2850155	6.10
2	CHUNILAL FOJAJI SANGHVI	1535780	3.29	01/04/2018	-	-	1535780	3.29
		1535780	3.29	31/03/2019	-	-	1535780	3.29
3	DIVYA VAGHELA	1500000	3.21	01/04/2018	-	-	1500000	3.21
		1500000	3.21	31/03/2019	-	-	1500000	3.21
4	NALANDA INDIA EQUITY FUND LIMITED	1461644	3.13	01/04/2018	-	-	1461644	3.13
		1461644	3.13	31/03/2019	-	-	1461644	3.13
5	L AND T MUTUAL FUND TRUSTEE LTD-L AND T MID CAP FUND	1192598	2.55	01/04/2018	-	-	1192598	2.55
			0.01	06/04/2018	4949	Transfer	1197547	2.56
			0.04	13/04/2018	18501	Transfer	1216048	2.60
			0.06	20/04/2018	28061	Transfer	1244109	2.66
			0.00	27/04/2018	1420	Transfer	1245529	2.66
			0.00	11/05/2018	475	Transfer	1246004	2.67
			0.00	18/05/2018	205	Transfer	1246209	2.67
			0.02	01/06/2018	9021	Transfer	1255230	2.69
			0.01	08/06/2018	6375	Transfer	1261605	2.70
			0.06	15/06/2018	29787	Transfer	1291392	2.76
			0.00	06/07/2018	1000	Transfer	1292392	2.76
			0.00	13/07/2018	1000	Transfer	1293392	2.77
	0.00	20/07/2018	2500	Transfer	1295892	2.77		

Sr. No.	Name	Shareholding			Cumulative Shareholding during the year (01/04/2017 to 31/03/2018)			
		No of Shares at the beginning of the year (01/04/18) / end of the year (31/03/19)	% of total shares of the company	Date of opening/closing/transfer	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the company
			0.01	03/08/2018	5000	Transfer	1300892	2.78
			-0.05	31/08/2018	-23200	Transfer	1277692	2.73
			-0.13	14/09/2018	-59222	Transfer	1218470	2.61
			0.04	23/11/2018	18163	Transfer	1236633	2.65
			0.04	30/11/2018	20353	Transfer	1256986	2.69
			0.01	21/12/2018	6375	Transfer	1263361	2.70
			0.00	28/12/2018	4	Transfer	1263365	2.70
			0.30	29/03/2019	141021	Transfer	1404386	3.00
		1404386	3.00	31/03/2019	-	-	1404386	3.00
6	KOTAK EMERGING EQUITY SCHEME	169117	0.36	01/04/2018	-	-	169117	0.36
			0.06	06/04/2018	29712	Transfer	198829	0.42
			0.01	13/04/2018	3036	Transfer	201865	0.43
			0.01	20/04/2018	7194	Transfer	209059	0.45
			0.00	27/04/2018	185	Transfer	209244	0.45
			0.02	04/05/2018	8000	Transfer	217244	0.46
			0.00	11/05/2018	1567	Transfer	218811	0.47
			0.00	18/05/2018	489	Transfer	219300	0.47
			0.00	25/05/2018	145	Transfer	219445	0.47
			0.05	01/06/2018	21553	Transfer	240998	0.51
			0.01	08/06/2018	4998	Transfer	245996	0.53
			0.00	15/06/2018	1227	Transfer	247223	0.53
			0.00	22/06/2018	62	Transfer	247285	0.53
			0.01	30/06/2018	4733	Transfer	252018	0.54
			0.00	13/07/2018	4636	Transfer	256654	0.55
			0.00	27/07/2018	692	Transfer	257346	0.55
			0.00	03/08/2018	1729	Transfer	259075	0.55
			0.01	24/08/2018	5000	Transfer	264075	0.56
			0.14	14/09/2018	66451	Transfer	330526	0.71
			0.02	21/09/2018	11083	Transfer	341609	0.73
			0.01	29/09/2018	3836	Transfer	345445	0.74
			0.01	05/10/2018	6256	Transfer	351701	0.75
			0.00	12/10/2018	1055	Transfer	352756	0.75
			0.02	19/10/2018	8863	Transfer	361619	0.77
			0.01	26/10/2018	7189	Transfer	368808	0.79
			0.01	02/11/2018	7057	Transfer	375865	0.80
			0.01	16/11/2018	5000	Transfer	380865	0.81
			0.00	23/11/2018	1868	Transfer	382733	0.82
			0.01	14/12/2018	3349	Transfer	386082	0.83
			0.00	21/12/2018	1229	Transfer	387311	0.83
			0.00	28/12/2018	37	Transfer	387348	0.83
			0.00	31/12/2018	51	Transfer	387399	0.83
			0.01	04/01/2018	6987	Transfer	394386	0.84
			0.01	11/01/2019	5000	Transfer	399386	0.85
			1.54	25/01/2019	718251	Transfer	1117637	2.39

Sr. No.	Name	Shareholding			Cumulative Shareholding during the year (01/04/2018 to 31/03/2019)			
		No of Shares at the beginning of the year (01/04/18) / end of the year (31/03/19)	% of total shares of the company	Date of opening/ closing/ transfer	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the company
			0.03	01/02/2019	16263	Transfer	1133900	2.43
			0.05	08/02/2019	24099	Transfer	1157999	2.48
			0.01	15/02/2019	5557	Transfer	1163556	2.49
			0.03	01/03/2019	14360	Transfer	1177916	2.52
			0.00	08/03/2019	2379	Transfer	1180295	2.52
			0.00	15/03/2019	1574	Transfer	1181869	2.53
			0.01	22/03/2019	4561	Transfer	1186430	2.54
			0.02	29/03/2019	8143	Transfer	1194573	2.56
		1194573	2.56	31/03/2019	-	-	1194573	2.56
7	DSP SMALL CAP FUND	1141797	2.44	01/04/2018	-	-	1141797	2.44
		1141797	2.44	31/03/2019	-	-	1141797	2.44
8	SAIF INDIA V FII HOLDINGS LIMITED	781486	1.67	01/04/2018	-	-	781486	1.67
		781486	1.67	31/03/2019	-	-	781486	1.67
9	KAMALA MUKESH SANGHVI	425500	0.91	01/04/2018	-	-	425500	0.91
		425500	0.91	31/03/2019	-	-	425500	0.91
10	KUSHAL CHAMPALAL BHANSALI	338000	0.72	01/04/2018	-	-	338000	0.72
		338000	0.72	31/03/2019	-	-	338000	0.72

(v) Shareholding of Directors & KMP

Sr. No.	Shareholding of Directors & KMP	Shareholding				Cumulative Shareholding during the year		
		No of Shares	% of total shares of the company	Date	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the company
1	Prakash M Sanghvi, Managing Director	3821351	8.18	01/04/2018	-	-	3821351	8.18
		3821351	8.18	31/03/2019	-	-	3821351	8.18
2	Prakash M Sanghvi, Managing Director	1605339	3.44	01/04/2018	-	-	1605339	3.44
		1605339	3.44	31/03/2019	-	-	1605339	3.44
3	Prakash M Sanghvi, Managing Director	1759695	3.77	01/04/2018	-	-	1759695	3.77
		1759695	3.77	31/03/2019	-	-	1759695	3.77
4	Jayantilal Mistrimal Sanghvi, Whole Time Director	3616195	7.74	01/04/2018	-	-	3616195	7.74
		3616195	7.74	31/03/2019	-	-	3616195	7.74
5	Jayantilal Mistrimal Sanghvi, Whole Time Director	245000	0.52	01/04/2018	-	-	245000	0.52
			0.05	08/03/2019	25000	Transfer	270000	0.58
			0.05	11/03/2019	24830	Transfer	294830	0.63
		294830	0.63	31/03/2019	-	-	294830	0.63
6	Shantilal Mishrimal Sanghvi, Whole Time Director	230000	0.49	01/04/2018	-	-	230000	0.49
		230000	0.49	31/03/2019	-	-	230000	0.49
7	Shantilal Mishrimal Sanghvi, Whole Time Director	1586995	3.40	01/04/2018	-	-	1586995	3.40
		1586995	3.40	31/03/2019	-	-	1586995	3.40
8	Divyabhash Chandrakant Anjaria, Independent Director	21665	0.05	01/04/2018	-	-	21665	0.05
		21665	0.05	31/03/2019	-	-	21665	0.05

Sr. No.	Shareholding of Directors & KMP	Shareholding				Cumulative Shareholding during the year		
		No of Shares	% of total shares of the company	Date	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the company
9	Divyabhash Chandrakant Anjaria, Independent Director	400	0.00	01/04/2018	-	-	400	0.00
		400	0.00	31/03/2019	-	-	400	0.00
10	Vinodkumar Mahavirprasad Agrawal, Independent Director	25000	0.05	01/04/2018	-	-	25000	0.05
		25000	0.05	31/03/2019	-	-	25000	0.05
11	Vinodkumar Mahavirprasad Agrawal, Independent Director	2500	0.01	01/04/2018	-	-	2500	0.01
		2500	0.01	31/03/2019	-	-	2500	0.01
12	Pravinchandra Maganlal Mehta, Independent Director	7000	0.01	01/04/2018	-	-	7000	0.01
		7000	0.01	31/03/2019	-	-	7000	0.01
13	Nidhi G. Gadhecha, Independent Director	0	0.00	01/04/2018	-	-	0	0.00
		0	0.00	31/03/2019	-	-	0	0.00
14	Vimal Katta, Chief Financial Officer	25000	0.05	01/04/2018	-	-	25000	0.05
		25000	0.05	31/03/2019	-	-	25000	0.05
15	Jigar Shah, Company Secretary & Compliance Officer	0	0.00	01/04/2018	-	-	0	0.00
		0	0.00	31/03/2019	-	-	0	0.00

(VI) **Indebtedness of the Company including interest outstanding/accrued but not due for payment**

(₹ in Lacs)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01-04-2018				
1) Principal Amount	-	5000.00	-	5000.00
2) Interest due but not paid	-	20.26	-	20.26
3) Interest accrued but not due	-	-	-	-
Total of (1+2+3)	-	5020.26	-	5020.26
Change in Indebtedness during the financial year				
+ Addition	-	29,687.95		29,687.95
-Reduction	-	-28,148.29		-28,148.29
Net change	-	1539.66		1539.66
Indebtedness at the end of the financial year 31-03-2019				
1) Principal Amount	-	6,539.66		6,539.66
2) Interest due but not paid	-	10.63		10.63
3) Interest accrued but not due	-	-		-
Total of (1+2+3)	-	6,550.29		6,550.29

(VII) Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole Time Director

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of the MD/WTD			Total Amount
		Shri Prakash M. Sanghvi	Shri Jayanti M. Sanghvi	Shri Shanti M. Sanghvi	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	161.00	124.40	104.60	390.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.16	1.63	-	1.79
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2.	Stock option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission as % of profit others (specify)	1,250.00	750.00	500.00	2500.00
5.	Others, please specify				
	(a) Company's contribution to the Super Annuation Scheme	0.00	0.00	1.50	1.50
	(b) Company's contribution to the Provident Fund	19.32	14.93	12.55	46.80
	Total (A)	1,430.48	890.96	618.65	2,940.09
	Ceiling as per the Act (Being 10% of Net Profit calculated under the provision of Section 198 of the Companies Act, 2013)	1,960.99	1,176.60	784.40	3,921.99

B. Remuneration to other directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri D. C. Anjaria	Shri P. M. Mehta	Dr. V. M. Agrawal	Smt. Nidhi G. Gadhecha	
1.	Independent Directors					
	(a) Fee for attending board/ committee meetings	3.47	2.96	3.47	1.59	11.49
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (1)	3.47	2.96	3.47	1.59	11.49
2.	Other Non-Executive Directors					
	(a) Fee for attending board/ committee meetings	N.A.	N.A.	N.A.	N.A.	N.A.
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	3.47	2.96	3.47	1.59	11.49

C. Remuneration to Key Managerial Personnel other than MD/WTD

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of KMP		Total Amount
		Shri Jigar Shah, Company Secretary	Shri Vimal Katta, Chief Financial Officer	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	14.43	84.26	98.69
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.74	1.92	2.66
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission as % of profit others, specify	-	-	-
5.	Others, please specify			
	(a) Company's contribution to the Super Annuation Scheme	0.74	1.50	2.24
	(b) Company's contribution to the Provident Fund	0.88	5.10	5.98
	Total	16.79	92.78	109.57

(VIII) Penalties/Punishment/compounding of offences

Types	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any
A) Company					
Penalty					
Punishment			NONE		
Compounding					
B) Directors					
Penalty					
Punishment			NONE		
Compounding					
C) Other officers in Defaults					
Penalty					
Punishment			NONE		
Compounding					

For and on behalf of the Board of Directors

PRAKASH M. SANGHVI
Chairman and Managing Director
DIN: 00006354

Place : Ahmedabad
Date : 29th May, 2019

ANNEXURE: F**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 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

(₹ in Lacs)

Sr. No.	Name of Directors / KMPs and Designation	Remuneration for F.Y. 2018-19	% increase / (decrease) in Remuneration in the F.Y.2018-19	Ratio of remuneration of each Director/KMP to median remuneration of employees
1.	Shri Prakash M. Sanghvi, Chairman & Managing Director	1430.48	40.67%	600.49
2.	Shri Jayanti M. Sanghvi, Whole Time Director	890.96	39.42%	374.01
3.	Shri Shanti M. Sanghvi, Whole Time Director	618.65	38.03%	259.70
4.	Shri Divyabhash C. Anjaria, Independent Director	3.47	57.01%	1.46
5.	Dr. Vinodkumar M. Agrawal, Independent Director	3.47	104.12%	1.46
6.	Shri Pravinchandra M. Mehta, Independent Director	2.96	74.12%	1.24
7.	Smt. Nidhi G. Gadhecha, Independent Woman Director	1.59	16.91%	0.67
8.	Shri Vimal Katta, Chief Financial Officer	92.78	7.25%	38.95
9.	Shri Jigar Shah, Company Secretary & Legal Head	16.79	21.84%	7.05

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	12.60%
3.	No. of permanent employees on the rolls of Company as on March 31, 2019	2139
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. 2018-19 was 12.60% whereas there is increase in the managerial remuneration for the same financial year was 20.00%. The increase has to be based on economic factor mainly on account of inflation, performance rise, availability of the required talent, the status of the relevant industry etc.
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 jigar.shah@ratnamani.com.

For and on behalf of the Board of Directors

PRAKASH M. SANGHVI
Chairman and Managing Director
DIN: 00006354

Place : Ahmedabad
Date : 29th May, 2018

ANNEXURE: "G"**Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31st March, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no.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 compliance 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 Ratnamani Metals and Tubes Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 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", having its Registered Office situated at "17, Rajmugat Society, Naranpura Char Rasta, Ankur Road, Naranpura, Ahmedabad – 380013 for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018;
 - (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; and (Not applicable to the Company during the Audit Period)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998/2018; (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.

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

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

MAHESH C. GUPTA
Proprietor
FCS: 2047 (CP. 1028)

Place : Ahmedabad
Date : 29th May, 2019

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.

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 responsibly 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 not 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)

Place : Ahmedabad
Date : 29th May, 2019

ANNEXURE: H

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
b)	Nature of contracts/arrangements/transaction	(All Contracts/ arrangements /transactions are at arm's length basis)
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 : 29th May, 2019

Independent Auditor's Report

To the Members of
Ratnamani Metals & Tubes Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of Ratnamani Metals & Tubes Limited (the "Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS Financial Statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the Standalone Ind AS 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 Standalone Ind AS 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 Ind AS 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 Ind AS Financial Statements.

Key audit matters	How our audit addressed the key audit matter
<p>Recoverability of Trade Receivable balances - Trade receivables (as described in note 6 of the Standalone Ind AS Financial Statements)</p> <p>Year-end outstanding trade receivables represent balance outstanding from domestic and export customers.</p> <p>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.</p> <p>Trade receivables has been considered a key audit matter in the audit due to size of the outstanding balance of trade receivables.</p>	<p>Our audit procedures among other things, included the following:</p> <ul style="list-style-type: none"> - Understood and tested on a sample basis the design and operating effectiveness of management control over the customer acceptance process, collection and the assessment of the recoverability of receivables; - tested on a sample basis the ageing of trade receivables at year end; - in respect of material trade receivables balances, inspected relevant contracts and correspondence with the customers; - 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 by the management; - Compared the collateral in the nature of bank guarantees/letter of credits provided by customers as applicable, and; - evaluated the level of provisions made by management for trade receivables.

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 Ind AS Financial Statements and our auditor's report thereon.

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

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS 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 Ind AS 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. 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 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 Ind AS 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 Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Ind AS 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 Ind AS 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS 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 Ind AS Financial Statements for the financial year ended March 31, 2019 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 Ind AS Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Ind AS 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, 2019 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 Ind AS Financial Statements – Refer Note 26 to the Standalone Ind AS 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 14 to the Standalone Ind AS 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

Place: Mumbai

Date: May 29, 2019

For Kantilal Patel & Co.

Chartered Accountants

ICAI Firm registration number:
104744W

per Jinal A. Patel
Partner

Membership No.: 153599

Place: Ahmedabad

Date: May 29, 2019

Annexure-1 to Independent Auditor's 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, 2019

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) All fixed assets 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.
- (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, sales-tax, duty of custom, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (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	₹ (in lacs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty and Penalty	7.74	April 2011 to March 2012	Commissioner (Appeals)
		214.92	April 2011 to March 2013	Central Excise and Service Tax Appellate Tribunal
		7.00	April 2012 to March 2013	Commissioner (Appeals)
		7.39	March 2013 to February 2015	Commissioner (Appeals)
Employee State Insurance Scheme	Tax	398.69	November 1991 to March 2019	Hon'ble High Court of Gujarat
Central Sales Tax Act, 1965	Tax	69.10	April 2008 to March 2011	Appellate Tribunal
		223.79	April 2010 to March 2013	Dy. Commissioner (Appeals)
		419.68	April 2013 to March 2014	Joint Commissioner (Appeals)
Gujarat Value Added Tax, 2003	Tax and Interest	230.78	April 2010 to March 2015	Dy. Commissioner (Appeals)

- (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) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (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 except for transaction with Shree Mahavir Education Trust aggregating ₹ 195 lacs, for which, as explained to us, the Company has obtained approval of audit committee under section 177 of the Companies Act, 2013 for subsequent modification to the contract in the current year.
- (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

Place: Mumbai
Date: May 29, 2019

For Kantilal Patel & Co.
Chartered Accountants

ICAI Firm registration number:
104744W

per Jinal A. Patel
Partner
Membership No.: 153599

Place: Ahmedabad
Date: May 29, 2019

Annexure-2 to Independent Auditor's 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, 2019.

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, 2019 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal 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 Ind AS 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, 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these Standalone Ind AS 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 Ind AS 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 Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Standalone Ind AS 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 Ind AS Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Standalone Ind AS 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 Ind AS Financial Statements and such internal financial controls over financial reporting with reference to these Standalone Ind AS Financial Statements were operating effectively as at March 31, 2019, based on the internal control over financial

reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm registration number:
324982E/E300003

per Pritesh Maheshwari

Partner

Membership No.: 118746

Place: Mumbai

Date: May 29, 2019

For Kantilal Patel & Co.

Chartered Accountants

ICAI Firm registration number:
104744W

per Jinal A. Patel

Partner

Membership No.: 153599

Place: Ahmedabad

Date: May 29, 2019

Balance Sheet

as at 31st March, 2019

(₹ in Lacs)

Particulars	Notes	As at 31-03-2019	As at 31-03-2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	43,932.42	44,451.70
Capital work-in-progress	3	17,859.81	4,690.61
Intangible assets	3	69.59	86.09
Financial assets	4		
Investments		6.08	6.08
Loans		20.70	17.60
Other financial assets		80.87	79.36
Other non-current assets	8	1,519.46	1,334.79
Total non-current assets		63,488.93	50,666.23
Current assets			
Inventories	5	59,002.93	57,399.60
Financial assets			
Investments	4	20,313.30	0.06
Trade receivables	6	46,206.87	55,818.46
Cash and cash equivalents	7	14,164.74	456.51
Loans	4	27.73	26.01
Other financial assets	4	593.36	509.55
Other current assets	8	1,425.75	9,765.43
Total current assets		141,734.68	123,975.62
Total Assets		205,223.61	174,641.85
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	934.56	934.56
Other equity	10		
Securities premium		2,279.06	2,279.06
Retained earnings		75,941.82	54,080.78
Other reserves		73,031.88	73,507.31
Total other equity		151,252.76	129,867.15
Total equity		152,187.32	130,801.71
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	14	730.80	-
Deferred tax liabilities (net)	12	3,591.06	4,289.10
Total non-current liabilities		4,321.86	4,289.10
Current liabilities			
Financial liabilities			
Borrowings	11	6,539.66	7,891.38
Trade payables	13		
Total outstanding dues of micro enterprises and small enterprises		645.13	940.73
Total outstanding dues of creditors other than micro enterprises and small enterprises		28,544.45	18,336.34
Other financial liabilities	14	3,585.99	671.32
Other current liabilities	15	8,873.57	9,876.75
Provisions	16	490.23	364.99
Current tax liabilities (net)	17	35.40	1,469.53
Total current liabilities		48,714.43	39,551.04
Total liabilities		53,036.29	43,840.14
Total Equity and Liabilities		205,223.61	174,641.85

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 : 29th May, 2019

For KANTILAL PATEL & CO

Chartered Accountants

ICAI Firm Registration No:

104744W

per **JINAL A. PATEL**

Partner

Membership No. 153599

Place : Ahmedabad

Date : 29th May, 2019

For and on behalf of Ratnamani Metals & Tubes Limited

P. M. SANGHVI

Chairman and

Managing Director

DIN : 00006354

S. M. SANGHVI

Whole Time Director

DIN : 00007955

DR. V. M. AGRAWAL

Director

DIN : 00010558

NIDHI GADHECHA

Director

DIN : 06847953

VIMAL KATTA

Chief Financial Officer

J. M. SANGHVI

Whole Time Director

DIN : 00006178

D. C. ANJARIA

Director

DIN : 00008639

P. M. MEHTA

Director

DIN : 00012410

JIGAR SHAH

Company Secretary

Statement of Profit and Loss

for the Year Ended on 31st March, 2019

(₹ in Lacs)

Particulars	Notes	Year ended 31-03-2019	Year ended 31-03-2018
Income			
Revenue from operations	18	275,490.32	178,980.60
Other income	19	4,122.64	3,242.29
Total income		279,612.96	182,222.89
Expenses			
Cost of raw materials and components consumed	20	193,729.13	123,546.20
Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(3,326.03)	(9,476.66)
Excise duty on sales		-	2,305.14
Employee benefits expenses	22	12,908.96	10,917.51
Finance costs	23	1,476.73	986.06
Depreciation and amortisation expenses	3	6,242.39	6,061.19
Other expenses	24	31,525.95	25,095.38
Total expenses		242,557.13	159,434.82
Profit before tax		37,055.83	22,788.07
Tax expense			
Current tax	12	13,154.22	8,042.79
(Excess) / Short provision for current tax of earlier years		(948.93)	3.00
Deferred tax	12	(442.67)	(436.53)
Total tax expense		11,762.62	7,609.26
Net profit for the year		25,293.21	15,178.81
Other comprehensive income / (loss)			
Other comprehensive income / (loss) not to be reclassified to profit or loss in subsequent periods			
Re-measurement gain / (loss) on defined benefit plans	12	(80.22)	33.62
Income tax effect		28.03	(11.64)
Other comprehensive income / (loss) not to be reclassified to profit or loss in subsequent periods		(52.19)	21.98
Other comprehensive income / (loss) to be reclassified to profit or loss in subsequent periods			
Net movement in cash flow hedge reserve		(730.80)	-
Income tax effect		255.37	-
Other comprehensive income / (loss) to be reclassified to profit or loss in subsequent periods		(475.43)	-
Total other comprehensive income / (loss) for the year, net of tax		(527.62)	21.98
Total comprehensive income for the year, net of tax		24,765.59	15,200.79
Earnings per equity share [nominal value per share ₹ 2/- (March 31, 2018: ₹ 2/-)]	31		
Basic & Diluted		54.13	32.48
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 : 29th May, 2019

For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration No:
104744W
per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : 29th May, 2019

For and on behalf of Ratnamani Metals & Tubes Limited

P. M. SANGHVI
Chairman and
Managing Director
DIN : 00006354
S. M. SANGHVI
Whole Time Director
DIN : 00007955
DR. V. M. AGRAWAL
Director
DIN : 00010558
NIDHI GADHECHA
Director
DIN : 06847953
VIMAL KATTA
Chief Financial Officer

J. M. SANGHVI
Whole Time Director
DIN : 00006178
D. C. ANJARIA
Director
DIN : 00008639
P. M. MEHTA
Director
DIN : 00012410
JIGAR SHAH
Company Secretary

Statement of Change in Equity

for the year ended 31st March, 2019

A. Equity Share Capital

Equity shares of ₹ 2 each issued, subscribed and fully paid	No. in Lacs	₹ in Lacs
As at 1st April, 2017	467.28	934.56
Issue of Equity Share Capital	-	-
As at 31st March, 2018	467.28	934.56
Issue of Equity Share Capital	-	-
As at 31st March, 2019	467.28	934.56

B. Other Equity (refer note-10)

(₹ in Lacs)

Particulars	Reserves & Surplus					Cash Flow	Total Other
	Securities Premium	Capital Reserve	Amalgamation Reserve	General Reserve	Retained Earnings	Hedge Reserve	Equity
As at 1st April, 2017	2,279.06	490.04	392.11	72,625.16	41,973.23	-	117,759.60
Profit for the year	-	-	-	-	15,178.81	-	15,178.81
Other Comprehensive Income (Re-measurement gain on defined benefit plans, net of tax)	-	-	-	-	21.98	-	21.98
Total Comprehensive Income	-	-	-	-	15,200.79	-	15,200.79
Cash Dividend (refer note - 10)	-	-	-	-	(2,570.04)	-	(2,570.04)
Dividend Distribution Tax (refer note - 10)	-	-	-	-	(523.20)	-	(523.20)
As at 31st March, 2018	2,279.06	490.04	392.11	72,625.16	54,080.78	-	129,867.15
Profit for the year	-	-	-	-	25,293.21	-	25,293.21
Other Comprehensive Income / (loss) (Re-measurement loss on defined benefit plans, net of tax)	-	-	-	-	(52.19)	-	(52.19)
Other Comprehensive Income / (loss) (Net movement in cash flow hedge reserve, net of tax)	-	-	-	-	-	(475.43)	(475.43)
Total Comprehensive Income	-	-	-	-	25,241.02	(475.43)	24,765.59
Cash Dividend (refer note - 10)	-	-	-	-	(2,803.68)	-	(2,803.68)
Dividend Distribution Tax (refer note - 10)	-	-	-	-	(576.30)	-	(576.30)
As at 31st March, 2019	2,279.06	490.04	392.11	72,625.16	75,941.82	(475.43)	151,252.76

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 : 29th May, 2019

For KANTILAL PATEL & CO

Chartered Accountants
ICAI Firm Registration No:
104744W

per **JINAL A. PATEL**

Partner
Membership No. 153599

Place : Ahmedabad
Date : 29th May, 2019

For and on behalf of Ratnamani Metals & Tubes Limited

P. M. SANGHVI

Chairman and
Managing Director
DIN : 00006354

S. M. SANGHVI

Whole Time Director
DIN : 00007955

DR. V. M. AGRAWAL

Director
DIN : 00010558

NIDHI GADHECHA

Director
DIN : 06847953

VIMAL KATTA

Chief Financial Officer

J. M. SANGHVI

Whole Time Director
DIN : 00006178

D. C. ANJARIA

Director
DIN : 00008639

P. M. MEHTA

Director
DIN : 00012410

JIGAR SHAH

Company Secretary

Cash Flow Statement

for the year ended 31st March, 2019

(₹ in Lacs)

Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	37,055.83	22,788.07
Adjustments to reconcile profit before tax to net cash flows:		
(Gain)/Loss on Sale/Discard of property, plant and equipment & Capital Work-in-Progress (net)	2.78	(17.15)
Depreciation and amortisation expense	6,242.39	6,061.19
Dividend Income	(265.04)	(294.28)
Interest income and fair value changes in financial instruments	(570.45)	(1,350.43)
Unrealised foreign exchange (gain)/loss	(46.49)	2.82
Provision for doubtful debts (net)	23.70	163.48
Excess provision & sundry balances written back	(143.95)	(224.02)
Interest expense	944.94	658.81
Operating Profit before working capital changes	43,243.71	27,788.49
Working capital adjustments:		
Decrease/(Increase) in trade receivables	9,587.89	(13,460.51)
(Increase) in inventories	(1,603.33)	(23,489.77)
(Increase) in current loans	(1.72)	(4.41)
(Increase) in non current loans	(3.10)	(8.34)
(Increase) in other current financial assets	(28.43)	(197.43)
(Increase)/Decrease in other non-current financial assets	(1.51)	318.45
Decrease/(Increase) in other current non-financial assets	8,339.68	(4,383.93)
Increase in trade payables	10,056.46	7,868.79
(Decrease)/Increase in other current liabilities	(1,003.18)	5,748.71
Increase in other current financial liabilities	593.44	12.61
Increase/(Decrease) in provisions	45.02	(262.24)
Cash generated from operations	69,224.93	(69.58)
Direct taxes paid (net)	(13,869.86)	(7,221.41)
Net Cash (used in)/generated from operating activities	55,355.07	(7,290.99)
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets and intangible assets (including CWIP and capital advances)	(16,652.94)	(7,077.18)
Proceeds from sale of fixed assets	178.27	118.03
(Purchase)/Sales of investments (net)	(20,313.24)	7,504.46
Dividend income	265.04	294.28
Interest income	515.07	1,279.96
Net Cash (used in)/generated from investing activities	(36,007.80)	2,119.55

Cash Flow Statement

for the year ended 31st March, 2019

(₹ in Lacs)

Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
C: CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowings (net)	(1,293.59)	7,891.38
Dividend paid	(2,803.68)	(2,570.04)
Dividend distribution tax on dividend	(576.30)	(523.20)
Interest paid	(953.83)	(636.46)
Net Cash (used in)/generated from financing activities	(5,627.40)	4,161.68
Net Increase/(Decrease) in Cash and Cash Equivalents	13,719.87	(1,009.76)
Effect of Exchange difference on Cash and Cash equivalents held in foreign currency	(11.64)	(2.82)
Cash and Cash Equivalents at the beginning of the year	456.51	1,469.09
Cash and Cash Equivalents at the end of the year (refer note-7)	14,164.74	456.51

Notes :

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 "Cash Flow Statement".
- As per the recent amendment by MCA in "Ind AS 7 Statement of Cash Flows : Disclosure initiative" effective from 1st April, 2017, disclosure of change in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are given below:

(₹ in Lacs)

Particulars	As at 1st April, 2017	Cash flows	Foreign exchange movement	As at 31st March, 2018
Short term borrowings	-	7,891.38	-	7,891.38
Interest	-	22.35	-	22.35
	-	7,913.73	-	7,913.73
Particulars	As at 1st April, 2018	Cash flows	Foreign exchange movement	As at 31st March, 2019
Short term borrowings	7,891.38	(1,293.59)	(58.13)	6,539.66
Interest	22.35	(8.89)	-	13.46
	7,913.73	(1,302.48)	(58.13)	6,553.12

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 : 29th May, 2019

For KANTILAL PATEL & CO

Chartered Accountants

ICAI Firm Registration No:

104744W

per JINAL A. PATEL

Partner

Membership No. 153599

Place : Ahmedabad

Date : 29th May, 2019

For and on behalf of Ratnamani Metals & Tubes Limited

P. M. SANGHVI

Chairman and

Managing Director

DIN : 00006354

S. M. SANGHVI

Whole Time Director

DIN : 00007955

DR. V. M. AGRAWAL

Director

DIN : 00010558

NIDHI GADHECHA

Director

DIN : 06847953

VIMAL KATTA

Chief Financial Officer

J. M. SANGHVI

Whole Time Director

DIN : 00006178

D. C. ANJARIA

Director

DIN : 00008639

P. M. MEHTA

Director

DIN : 00012410

JIGAR SHAH

Company Secretary

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

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 29th May 2019.

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) 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.

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 Lacs (₹ 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 Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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.

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.

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:

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

- 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 as 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.

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)

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 capitalization 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.

An item of property, plant and equipment acquired in exchange for a non-monetary asset is measured at fair value unless (a) the exchange transaction lacks commercial substance or (b) the fair value of neither the asset received nor the asset given up is reliably measurable.

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:

- Long Term Lease hold land is amortised over a period of 99 years, being the lease term.
- 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

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

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 IMPAIRMENT OF NON-FINANCIAL ASSETS:

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

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 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 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 :

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. A leased asset is depreciated over the useful life of the asset.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

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.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments - measured at amortised cost
- Debt instruments, derivatives and equity instruments - measured at fair value through Profit and Loss (FVTPL)
- Equity instruments - measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' 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.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

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 group of similar financial assets) is primarily derecognised (i.e. 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

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement

and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Financial guarantee contracts which are not measured at FVTPL.

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.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. 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.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

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.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

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 P&L. 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. The Company has not designated any financial liability at FVTPL.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the 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 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 realizable 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

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

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.

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.

- ii) The Company accounts for pro forma credits, refunds of duty of customs or excise, 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.

I 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 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

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

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 recognised 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

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

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.

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 short-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.

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

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

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.

(a) 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.

(b) 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.

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards

Ind AS 115 Revenue from Contracts with Customers

The Company applied Ind AS 115 Revenue from Contracts with Customers for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below:

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures. The Company adopted Ind AS 115 using the full retrospective method of adoption, there were no significant adjustments required to the retained earnings as at April 01, 2017. The adoption of the standard did not have any material impact on the financial statements.

Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the standalone financial statements of the company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases was notified in October 2018 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt these standards, as applicable, and they become effective. As the Company does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its Financial Statements.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

NOTE NO.-3 PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

(₹ in Lacs)

Particulars	Leasehold land	Freehold land	Buildings	Plant & Machinery	Furniture & fixture	Vehicles	Office equipment	Total
Cost								
As at 1st April, 2017	27.60	1,569.18	9,750.88	42,346.83	427.12	1,400.93	291.83	55,814.37
Additions	-	1,429.96	694.46	3,255.00	4.57	394.04	56.62	5,834.65
Disposals	-	-	-	121.93	-	98.98	0.30	221.21
As at 31st March, 2018	27.60	2,999.14	10,445.34	45,479.90	431.69	1,695.99	348.15	61,427.81
Additions	-	1,558.21	539.59	3,327.84	10.22	216.20	234.27	5,886.33
Disposals (refer note ii)	-	125.16	83.08	22.08	-	157.76	1.18	389.26
As at 31st March, 2019	27.60	4,432.19	10,901.85	48,785.66	441.91	1,754.43	581.24	66,924.88
Depreciation/Amortization and Impairment								
As at 1st April, 2017	0.70	-	720.67	9,842.46	164.27	208.98	128.85	11,065.93
Depreciation/Amortization for the year	0.35	-	470.63	5,210.47	71.16	222.84	55.06	6,030.51
Disposals	-	-	-	47.61	-	72.60	0.12	120.33
As at 31st March, 2018	1.05	-	1,191.30	15,005.32	235.43	359.22	183.79	16,976.11
Depreciation/Amortization for the year	0.35	-	434.91	5,413.56	43.00	251.23	81.51	6,224.56
Disposals	-	-	77.60	20.11	-	109.86	0.64	208.21
As at 31st March, 2019	1.40	-	1,548.61	20,398.77	278.43	500.59	264.66	22,992.46
Net Block								
As at 31st March, 2019	26.20	4,432.19	9,353.24	28,386.89	163.48	1,253.84	316.58	43,932.42
As at 31st March, 2018	26.55	2,999.14	9,254.04	30,474.58	196.26	1,336.77	164.36	44,451.70

- i) Buildings includes ₹ 47.80 Lacs (31st March, 2018 ₹ 47.80 Lacs) representing cost of unquoted fully paid shares held in co-operative housing societies.
- ii) During the year, freehold land amounting to ₹ 125.16 Lacs has been transferred in favour of Gujarat Energy Transmission Corporation Limited for setting up of substation for supply of electricity to the Company, which is accordingly reclassified in electrical installation under capital work-in-progress.

(b) Intangible Assets

(₹ in Lacs)

Particulars	Software
Cost	
As at 1st April, 2017	167.08
Additions	54.37
As at 31st March, 2018	221.45
Additions	1.33
As at 31st March, 2019	222.78
Amortisation and Impairment	
As at 1st April, 2017	104.68
Amortisation for the year	30.68
As at 31st March, 2018	135.36
Amortisation for the year	17.83
As at 31st March, 2019	153.19
Net Block	
As at 31st March, 2019	69.59
As at 31st March, 2018	86.09

(c) Capital work-in-progress

Particulars	(₹ in Lacs)
As at 31st March, 2019	17,859.81
As at 31st March, 2018	4,690.61

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

(₹ in Lacs)

Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
4	FINANCIAL ASSETS		
	Investments		
	Trade Investments (at Cost)		
	Investment in unquoted Equity Shares of Subsidiary Company 10,000 (31st March, 2018-10,000) 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)		
	37,19,748.502 (31st March, 2018 Nil) Units of ICICI Prudential Liquid Fund - Direct Plan - Daily Dividend	3,725.24	-
	4,04,492.603 (31st March, 2018 Nil) Units of Axis Liquid Fund - Direct Daily Dividend - CFDR	4,048.79	-
	3,61,373.962 (31st March, 2018 Nil) Units of Kotak Liquid Direct Plan Daily Dividend	4,420.63	-
	8,09,234.359 (31st March, 2018 Nil) units of SBI Liquid Fund Direct Daily Dividend	8,118.64	-
	Other unquoted investments in Government Securities (At Amortised cost)		
	National Saving Certificates	-	0.06
		20,319.38	6.14
	Current	20,313.30	0.06
	Non-Current	6.08	6.08
		20,319.38	6.14
	Aggregate value of Unquoted Investments	6.08	6.14
	Aggregate book value of Quoted Mutual Funds	20,313.30	-
		20,319.38	6.14
	Aggregate market value of Quoted Mutual Funds (refer note-33)	20,313.30	-
	Loans (Unsecured, Considered Good)		
	Loans to employees	48.43	43.61
		48.43	43.61
	Current	27.73	26.01
	Non-Current	20.70	17.60
		48.43	43.61
	Other Financial Assets		
	Interest accrued	68.17	12.79
	Security deposits	458.52	454.21
	Derivative receivables (at fair value through profit or loss)	-	4.51
	Wind-Mill surplus receivable	114.92	92.13
	Others	32.62	25.27
		674.23	588.91
	Current	593.36	509.55
	Non-Current	80.87	79.36
		674.23	588.91

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, 2019

(₹ in Lacs)

Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
5	INVENTORIES (at lower of cost and net realisable value)		
	Raw materials		
	Raw materials and components	26,742.94	26,233.05
	Raw materials in transit	3,208.63	6,363.74
	Work-in-progress	19,903.94	21,099.70
	Finished goods		
	Finished goods	3,308.14	1,186.33
	Finished goods in transit	2,460.58	60.60
	Stores and spares	3,378.70	2,456.18
		59,002.93	57,399.60

(₹ in Lacs)

	As at 31-03-2019	As at 31-03-2018
6	TRADE RECEIVABLES	
	Secured, considered good	13,084.48
	Unsecured, considered good	33,122.39
	Trade Receivables which have significant increase in credit Risk	-
	Trade Receivables - credit impaired	209.65
	Total	46,416.52
	Less:	
	Impairment Allowance (allowance for bad and doubtful debts)	
	Trade Receivables - credit impaired	209.65
	Total Trade Receivables	46,206.87
	Above includes:	
	Receivables from related parties, unsecured, considered good (refer note-30)	95.32

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.

(₹ in Lacs)

	As at 31-03-2019	As at 31-03-2018
7	CASH AND CASH EQUIVALENTS	
	Balances with Banks	
	In Current accounts	4,829.31
	Deposits with original maturity of three months or less	9,200.00
	Unpaid dividend accounts	120.24
	Cash on hand	15.19
		14,164.74
		456.51

Cash at banks earns interest at floating rates based on daily bank deposit rates. 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.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

(₹ in Lacs)

Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
8	OTHER ASSETS		
	Capital advances	959.65	1,033.45
	Investment in silver	0.84	0.84
	Prepaid expense	184.09	335.36
	Advance receivable in cash or kind		
	Advance for material	615.92	4,727.81
	Excise / GST claim receivables	228.09	1,248.82
	DEPB / Export licenses	71.53	531.97
	Balances with government authorities	305.79	2,610.75
	Export benefits receivable	8.26	44.05
	Others	32.07	286.67
		1,261.66	9,450.07
		2,406.24	10,819.72
	Non-Current tax assets (net)	538.97	280.50
		2,945.21	11,100.22
	Current	1,425.75	9,765.43
	Non-Current	1,519.46	1,334.79
		2,945.21	11,100.22

Particulars	As at 31-03-2019		As at 31-03-2018	
	No. in Lacs	₹ in Lacs	No. in Lacs	₹ in Lacs
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.

For the current financial year 2018-19, the Company has proposed dividend of ₹ 9/- per share to equity shareholder (declared in the previous financial year dividend of ₹ 6/- per share).

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 31-03-2019		As at 31-03-2018	
	No. in Lacs	₹ in Lacs	No. in Lacs	₹ in Lacs
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

Details of Shareholders holding more than 5% Equity Shares in the Company

Name of the Shareholder	As at 31-03-2019		As at 31-03-2018	
	No. of Shares	% held	No. in Shares	% held
Prakash M. Sanghvi	7,186,385	15.38%	7,186,385	15.38%
Jayanti M. Sanghvi	3,911,025	8.37%	3,861,195	8.26%
Nalanda India Fund Limited	2,850,155	6.10%	3,604,155	7.71%

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.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

(₹ in Lacs)

Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
10	OTHER EQUITY		
	Securities Premium Reserve	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		
	Capital Reserve	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		
	Amalgamation Reserve	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		
	General Reserve	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.		
	Other Comprehensive Income	-	-
	Cash flow hedge reserve		
	Net movement during the year	(475.43)	-
		(475.43)	-
	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.		
	Retained Earnings	54,080.78	41,973.23
	Profit for the year	25,293.21	15,178.81
	Other Comprehensive Income	(52.19)	21.98
	Cash Dividend	(2,803.68)	(2,570.04)
	Dividend Distribution Tax	(576.30)	(523.20)
		75,941.82	54,080.78
	Total Other Equity	151,252.76	129,867.15

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

Distribution made and proposed		(₹ in Lacs)	
		As at 31-03-2019	As at 31-03-2018
Cash dividend on equity shares declared and paid			
Final Dividend for the year ended 31st March, 2018: ₹ 6.00 per share (for the year ended 31st March, 2017: ₹ 5.50 per share)		2,803.68	2,570.04
Dividend distribution tax		576.30	523.20
		3,379.98	3,093.24
Proposed dividend on equity shares			
Final Dividend for the year ended 31st March, 2019: ₹ 9.00 per share (for the year ended 31st March, 2018: ₹ 6.00 per share)		4,205.52	2,803.68
Dividend distribution tax		864.46	576.30
		5,069.98	3,379.98
		8,449.96	6,473.22

Proposed dividends on equity shares are subject to approval at the ensuing Annual General Meeting and are not recognised as liability (including dividend distribution tax thereon) as at March 31.

		(₹ in Lacs)	
Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
11	BORROWINGS		
	Short term Borrowings		
	Cash Credit/Export Packing Credit facilities (Secured)(refer note-a)	-	2,891.38
	Buyer's Credits in Foreign Currencies (Unsecured)	5,039.66	-
	Short Term Loan From Banks (Unsecured)	1,500.00	5,000.00
	Total Borrowings	6,539.66	7,891.38
a)	Short term Borrowings were secured by - i) Hypothecation of Inventories, Books Debts, all other movables; ii) Second charge on Fixed Assets of the Company ; iii) Joint equitable mortgage of all immovable properties held as free-hold and leasehold lands of the Company, except: Lease hold land situated at 3306-09, GIDC Chhatral, Taluka Kalol. Short term Borrowings from banks carries interest in the range of 3.16% to 10.60%.		
b)	At 31 March 2019, the Company has available fund base working capital limits from consortium banks, term loan and external commercial borrowing (ECB) aggregating to ₹ 34,100.00 Lacs (March 31, 2018 ₹ 3,608.62 Lacs) of undrawn committed borrowing facilities.		

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

(₹ in Lacs)

Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
12	INCOME TAX		
	The major component of income tax expense for the years ended 31st March, 2019 and 31st March, 2018 are :		
	Statement of Profit and Loss		
	Current tax		
	Current income tax	13,154.22	8,042.79
	Tax in respect of Earlier years	(948.93)	3.00
	Deferred tax		
	Deferred tax expense/(benefit)	(442.67)	(436.53)
	Income tax expense reported in the Statement of Profit and Loss	11,762.62	7,609.26
	OCI Section		
	Other comprehensive income (OCI)		
	Tax related to items recognised in OCI during the year		
	Re-measurement gain/(loss) on defined benefit plans	28.03	(11.64)
	Net movement in cash flow hedge reserve	255.37	-
	Tax credited to OCI	283.40	(11.64)

a) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended 31st March, 2019 and 31st March, 2018:

(₹ in Lacs)

Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
Accounting Profit before tax	37,055.83	22,788.07
Enacted income tax rate in India applicable to the Company	34.944%	34.608%
Tax using the Company's domestic tax rate	12,948.79	7,886.50
Tax effects of :		
Exempt Income	(92.62)	(101.84)
Deduction under chapter VIA	(555.61)	(483.66)
Non-deductible expenses	309.46	163.10
(Excess) / Short provision for current tax of earlier years	(948.93)	3.00
Others	101.52	142.16
At the effective income tax rate of 31st March, 2019: 31.74% (31st March, 2018: 33.39%)	11,762.62	7,609.26

(b) Movement in deferred tax liabilities (net) for the year ended 31st March, 2019

(₹ in Lacs)

Particulars	Opening Balance as at 1st April, 2018	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2019
Tax effect of items constituting deferred tax liabilities :				
Property, plant and equipment	4,516.90	(339.14)	-	4,177.76
	4,516.90	(339.14)	-	4,177.76
Tax effect of items constituting deferred tax assets :				
Asset on expenses allowed in year of payment	(223.69)	(103.53)	-	(327.22)
Asset on movement in cash flow hedge reserve	-	-	(255.37)	(255.37)
Other adjustments	(4.11)	-	-	(4.11)
	(227.80)	(103.53)	(255.37)	(586.70)
Net deferred tax liabilities	4,289.10	(442.67)	(255.37)	3,591.06

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

Movement in deferred tax liabilities (net) for the year ended 31st March, 2018

Particulars	(₹ in Lacs)			
	Opening Balance as at 1st April, 2017	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2018
Tax effect of items constituting deferred tax liabilities :				
Property, plant and equipment	4,822.02	(305.12)	-	4,516.90
	4,822.02	(305.12)	-	4,516.90
Tax effect of items constituting deferred tax assets :				
Asset on expenses allowed in year of payment	(92.42)	(131.27)	-	(223.69)
Other adjustments	(3.97)	(0.14)	-	(4.11)
	(96.39)	(131.41)	-	(227.80)
Net deferred tax liabilities	4,725.63	(436.53)	-	4,289.10

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.

During the year ended 31st March, 2019 and 31st March, 2018, 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.

Note No.	Particulars	(₹ in Lacs)	
		As at 31-03-2019	As at 31-03-2018
13	TRADE PAYABLES		
	Total outstanding dues of micro enterprises and small enterprises (refer note-a)	645.13	940.73
	Total outstanding dues of creditors other than micro enterprises and small enterprises	28,544.45	18,336.34
		29,189.58	19,277.07

The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development (MSMED) as at 31st March 2019. The disclosure pursuant to the said Act is as under:

a	Particulars	31-03-2019	31-03-2018
i)	Amounts remaining unpaid as at year end towards		
	Principal	645.13	940.73
	Interest	2.83	-
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;		
	Principal	-	-
	Interest	-	-
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;		
	Total interest accrued	2.83	-
	Interest remaining unpaid	2.83	-
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, 2019

		(₹ in Lacs)	
Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
14	OTHER FINANCIAL LIABILITIES		
	Financial liabilities at fair value through OCI		
	Cash flow hedges		
	Currency and interest rate swaps	730.80	-
	Financial liabilities at fair value through profit or loss		
	Derivatives not designated as hedges	429.44	-
	Other financial liabilities at amortised cost		
	Interest accrued but not due	13.46	22.35
	Payables in respect of capital goods	2,868.32	538.20
	Unpaid dividend#	120.24	110.77
	Other miscellaneous liabilities	154.53	-
		4,316.79	671.32
	Current	3,585.99	671.32
	Non-Current	730.80	-
		4,316.79	671.32
	# not due for credit to "Investors Education and Protection Fund"		
	Fair value disclosures for financial liabilities (refer note 33.1)		
			(₹ in Lacs)
		As at 31-03-2019	As at 31-03-2018
15	OTHER CURRENT LIABILITIES		
	Contract liability (Advance from customers)	7,362.88	8,676.47
	Statutory dues payable	1,199.72	1,044.88
	Other miscellaneous liabilities	310.97	155.40
		8,873.57	9,876.75
			(₹ in Lacs)
		As at 31-03-2019	As at 31-03-2018
16	PROVISIONS		
	Provision for employee benefits		
	Compensated absences	273.83	240.02
	Gratuity (refer note-25)	216.40	124.97
		490.23	364.99
	Current	490.23	364.99
	Non-Current	-	-
		490.23	364.99
			(₹ in Lacs)
		As at 31-03-2019	As at 31-03-2018
17	CURRENT TAX LIABILITIES		
	Provision for Income tax (net of advance tax)	35.40	1,469.53
		35.40	1,469.53

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

(₹ in Lacs)

Note No.	Particulars	Year ended 31-03-2019	Year ended 31-03-2018
18	REVENUE FROM CONTRACTS WITH CUSTOMERS		
18.1	Disaggregated revenue information		
	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	269,691.79	173,838.65
	Sale of Power generated from Windmills	686.13	555.44
	Sale of services	3,102.72	2,934.60
	Revenue from contracts with customers	273,480.64	177,328.69
	Other operating revenue	2,009.68	1,651.91
	Total revenue from operations	275,490.32	178,980.60
	Sales of Steel Tubes and Pipes		
	In India	213,651.04	128,128.25
	Outside India	56,040.75	45,710.40
		269,691.79	173,838.65
	Sale of Power generated from Windmills		
	In India	686.13	555.44
	Sale of Services		
	In India	3,102.72	2,934.60
	Total Revenue from contracts with customers	273,480.64	177,328.69
	Timing of revenue recognition		
	Goods and services transferred at a point in time	273,480.64	177,328.69
	Total Revenue from contracts with customers	273,480.64	177,328.69
	Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information (refer note-29)		
			(₹ in Lacs)
	Revenue	Year ended 31-03-2019	Year ended 31-03-2018
	Segments:		
	Steel Tubes and Pipes	272,794.51	176,773.25
	Wind Mills	686.13	555.44
	Wind Mills -Inter-segment	1,673.79	1,518.20
		275,154.43	178,846.89
	Inter-segment adjustment and elimination	(1,673.79)	(1,518.20)
	Total revenue from contracts with customers	273,480.64	177,328.69
	Goods and Service Tax ("GST") has been implemented with effect from July 1, 2017 which replaces excise duty and other input taxes. As per Ind AS 115, the revenue for the year ended March 31, 2019 is reported net of GST. According to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the revenue from operations for the year ended March 31, 2018 are inclusive of excise duty until the period ended June 30, 2017. The results for the year ended March 31, 2018 is not comparable to that extent.		
			(₹ in Lacs)
	Particulars	As at 31-03-2019	As at 31-03-2018
18.2	Contract balances		
	Trade receivables	46,206.87	55,818.46
	Contract liabilities (Advance from customers)	7,362.88	8,676.47

In March 2019, ₹ 23.70 Lacs (March 2018: ₹ 163.48 Lacs) 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 2018-19 due to continuous performance obligations satisfied.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

Set out below is the amount of revenue recognised from :-

(₹ in Lacs)

Particulars	As at 31-03-2019	As at 31-03-2018
Amounts included in Contract liabilities (Advance from customers) at the beginning of the year	8,676.47	3,121.64
Performance obligations satisfied in previous years	8,202.23	2,931.99
		(₹ in Lacs)
Particulars	As at 31-03-2019	As at 31-03-2018
18.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price (net of taxes)	276,255.68	177,410.43
Adjustments :		
Provision for sales return, late deliveries etc.	(2,775.04)	(81.74)
Revenue from contract with customers	273,480.64	177,328.69

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 31st March, 2019 are, as follows:

(₹ in Lacs)

Particulars	As at 31-03-2019	As at 31-03-2018
Within one year	146,576.52	169,247.35
More than one year	-	10,000.11
	146,576.52	179,247.46

(₹ in Lacs)

Note No.	Revenue	Year ended 31-03-2019	Year ended 31-03-2018
19	OTHER INCOME		
	Interest income on		
	Inter corporate deposits	-	15.53
	Bank deposits	62.22	2.79
	Others	507.42	1,210.67
	Other non-operating income		
	Fair value gain on financial instruments at fair value through profit and loss	0.81	121.44
	Profit on Sale/Discard/Reduction in value of fixed assets (net)	-	17.15
	Bad debts recovered	-	3.61
	Sundry balances written back	143.95	224.02
	Dividend income on current investments	265.04	294.28
	Foreign exchange fluctuation (net)	2,804.92	1,310.64
	Miscellaneous income	338.28	42.16
		4,122.64	3,242.29

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

		(₹ in Lacs)	
Note No.	Particulars	Year ended 31-03-2019	Year ended 31-03-2018
20	COST OF RAW MATERIALS AND COMPONENTS CONSUMED		
	Opening Inventory	32,596.79	19,225.75
	Add: Purchases	191,083.91	136,917.24
		223,680.70	156,142.99
	Less: Closing Inventory	29,951.57	32,596.79
	Cost of raw materials and components consumed	193,729.13	123,546.20
(₹ in Lacs)			
		Year ended 31-03-2019	Year ended 31-03-2018
21	(INCREASE)/DECREASE IN INVENTORY		
	Inventories at the end of the year		
	Work in process	19,903.94	21,099.70
	Finished goods	5,768.72	1,246.93
		25,672.66	22,346.63
	Inventories at the beginning of the year		
	Work in process	21,099.70	12,258.43
	Finished goods	1,246.93	611.54
		22,346.63	12,869.97
	(Increase)/Decrease In Inventory		
	Work in process	1,195.76	(8,841.27)
	Finished goods	(4,521.79)	(635.39)
		(3,326.03)	(9,476.66)
(₹ in Lacs)			
		Year ended 31-03-2019	Year ended 31-03-2018
22	EMPLOYEE BENEFITS EXPENSES		
	Salaries, wages and bonus	11,247.96	9,385.09
	Contribution to provident and other funds	655.18	626.08
	Gratuity expense (refer note-25)	169.57	160.22
	Staff welfare expenses	836.25	746.12
		12,908.96	10,917.51
(₹ in Lacs)			
		Year ended 31-03-2019	Year ended 31-03-2018
23	FINANCE COSTS		
	Interest on debts and borrowings	666.49	517.74
	Interest on income tax	103.93	40.00
	Interest others	174.52	101.07
	Bank charges	531.79	327.25
		1,476.73	986.06

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

(₹ in Lacs)

Note No.	Particulars	Year ended 31-03-2019	Year ended 31-03-2018
24	OTHER EXPENSES		
	Consumption of stores & spares	6,551.05	5,009.14
	Freight & transport charges	11,800.88	7,372.66
	Power & fuel	4,021.03	3,432.19
	Labour & processing charges	3,849.08	4,540.73
	Repairs and maintenance:		
	Plant and machineries	812.22	730.32
	Buildings	162.77	228.43
	Others	62.03	79.25
	Testing and inspection charges	145.29	66.60
	Legal & consultancy charges	392.64	337.19
	Traveling & conveyance expenses	517.74	432.65
	Insurance	387.32	309.73
	Rent	190.53	117.68
	Rates & taxes	397.09	280.06
	Auditors' remuneration (refer note-a)	44.32	34.75
	Advertisement & other expenses	108.54	82.74
	Sales commission	252.25	648.71
	Loss on Sale/Discard/Reduction in value of fixed assets (net)	2.78	-
	Increase/(Decrease) in excise duty on inventory	-	(43.96)
	Provision for doubtful debts	23.70	163.48
	Bad debts written off	27.78	97.32
	Provision for doubtful debts utilised	(27.78)	(97.32)
	Charity and donations (refer note-b)	242.31	202.66
	Directors' sitting fees	11.49	6.97
	Miscellaneous expenses (refer note-b)	1,550.89	1,063.40
		31,525.95	25,095.38
a)	Payments to Joint Auditors		
	As Auditors:		
	Audit Fee	27.45	23.00
	Limited Review	13.50	7.65
	Other Services	-	3.00
		40.95	33.65
	In other capacity:		
	Certification	1.90	0.35
	Reimbursement of expenses	1.47	0.75
		3.37	1.10
		44.32	34.75
b)	Other expenses include ₹ 432.66 Lacs (P.Y. ₹ 228.60 Lacs), 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	442.05	464.76
	2. Amount spent during the year:		
	i) Construction/acquisition of any asset	195.00	180.00
	ii) On purposes other than (i) above	237.66	48.60
		432.66	228.60
	3. Amount unspent during the year:	9.39	236.16
		9.39	236.16
		442.05	464.76

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

25 EMPLOYEE BENEFITS EXPENSES

A. Defined contribution plans:

Amount of ₹ 655.18 Lacs (31st March, 2018: ₹ 626.08 Lacs) is recognised as expenses and included in note no. 22 "Employee benefits expenses".

Particulars	(₹ in Lacs)	
	Year ended 31-03-2019	Year ended 31-03-2018
Provident fund	273.03	278.44
Contributory pension scheme	254.52	190.63
Superannuation fund	127.11	156.42
Gujarat labour welfare fund	0.52	0.59
	655.18	626.08

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.

31st March, 2019 : Changes in defined benefit obligation and plan assets

(₹ in Lacs)

	Cost charged to Statement of Profit and Loss				Benefit paid	Remeasurement (gains)/losses in other comprehensive income					31st March, 2019
	1st April, 2018	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	Contributions by employer	
Gratuity											
Defined benefit obligation	2,369.35	159.76	185.99	345.75	(77.40)	-	12.94	63.28	76.22	-	2,713.92
Fair value of plan assets	2,244.38	-	176.18	176.18	(44.01)	4.00	-	-	4.00	124.97	2,497.52
Benefit liability	124.97	159.76	9.81	169.57	-	(4.00)	12.94	63.28	80.22	(124.97)	216.40
Total benefit liability	124.97	159.76	9.81	169.57	-	(4.00)	12.94	63.28	80.22	(124.97)	216.40

31st March, 2018 : Changes in defined benefit obligation and plan assets

(₹ in Lacs)

	Cost charged to Statement of Profit and Loss				Benefit paid	Remeasurement (gains)/losses in other comprehensive income					31st March, 2018
	1st April, 2017	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	Contributions by employer	
Gratuity											
Defined benefit obligation	2,175.32	133.90	159.66	293.56	(76.73)	-	(105.14)	82.34	(22.80)	-	2,369.35
Fair value of plan assets	1,816.68	-	133.34	133.34	(76.73)	(10.82)	-	-	(10.82)	360.27	2,244.38
Benefit liability	358.64	133.90	26.32	160.22	-	10.82	(105.14)	82.34	(33.62)	(360.27)	124.97
Total benefit liability	358.64	133.90	26.32	160.22	-	10.82	(105.14)	82.34	(33.62)	(360.27)	124.97

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	As at 31-03-2019 (₹ in Lacs)	As at 31-03-2018 (₹ in Lacs)
Insurance Funds	2,497.52	2,244.38
(%) 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 31-03-2019	Year Ended 31-03-2018
Discount rate	7.79%	7.85%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	7.79%	7.85%
Employee turnover rate	2.00%	2.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

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)		
Particulars	Sensitivity level	As at 31-03-2019 (₹ in Lacs)	As at 31-03-2018 (₹ in Lacs)
Discount rate	1% increase	(200.07)	(182.26)
	1% decrease	235.52	215.05
Salary increase	1% increase	232.68	212.58
	1% decrease	(201.44)	(183.59)
Employee turnover	1% increase	(5.11)	(3.77)
	1% decrease	5.66	4.14

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	As at 31-03-2019 (₹ in Lacs)	As at 31-03-2018 (₹ in Lacs)
Within the next 12 months (next annual reporting period)	666.58	561.23
Between 2 and 5 years	442.31	353.28
Beyond 5 years	5,354.72	4,969.98
Total expected payments	6,463.61	5,884.49

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at 31-03-2019 (Years)	As at 31-03-2018 (Years)
Gratuity	17	17

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

The followings are the expected contributions to planned assets for the next year:

Particulars	As at 31-03-2019 (₹ in Lacs)	As at 31-03-2018 (₹ in Lacs)
Gratuity	330.75	284.73

26 COMMITMENTS AND CONTINGENCIES

a) Leases:

Operating lease commitments – Company as lessee

The Company has entered into operating leases and has taken office premises, guest house and other properties on lease, with lease terms between one to five years. The Company has the option, under some of its leases, to lease the assets for additional terms of one to five years. The leases are cancellable in nature.

Total rent expense during the year is ₹ 190.53 Lacs (31st March, 2018 ₹ 117.68 Lacs).

b) Contingent Liabilities:

(₹ in Lacs)

Sr. No.	Particulars	As at 31-03-2019	As at 31-03-2018
a)	Bill discounted and not matured	-	9,838.43
b)	ESI liability (excluding interest leviable, if any)	398.69	360.10
c)	Disputed statutory claims/levies for which the Company has preferred appeal in respect of (excluding interest leviable, if any):		
	Income tax	-	0.60
	Excise/Custom duty (note-i)	237.05	3,360.65

Note-(i) Excise/Custom duty demand comprise various demands from the Excise/Custom Authorities for payment of ₹ 237.05 Lacs (31st March, 2018 ₹ 3,360.65 Lacs). The Company has filed appeals against these demands. The Company is confident that the demand are likely to be deleted and accordingly no provision for liability has been recognized in the financial statements.

Note-(ii) There has been a Supreme Court (SC) judgement dated 28th February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the judgement including the effective date of application. Based on legal advise the Company does not have any liability for previous years on account of this judgement. However, the Company will continue to assess any further developments in this matter for the implications on financial statements, if any.

c) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 14,375.69 Lacs (31st March, 2018 ₹ 15,860.42 Lacs).

27 The Company has incurred premium expenses of ₹ 139.81 Lacs (31st March, 2018 ₹ 138.41 Lacs) on Key Man Insurance Policy and term plan policy of Chairman and Managing Director and Whole-Time Directors, which is included in Insurance Expenses.

28 During the year ended March 31, 2019 ₹ 539.62 Lacs (March 31, 2018 ₹ 330.87 Lacs) was recognised as an expense for inventories carried at net realisable value.

29 SEGMENT INFORMATION

Operating Segments:

The Company is engaged in the business of Steel Tubes and Pipes and generation of power by Windmills. In accordance with the requirements of Ind AS 108 "Operating Segments" Company has identified these two segments as reportable segments.

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108."

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment Assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Inter Segment transfer

Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the Company level.

Summary of segment information is given below:

Primary Reportable Segment (Business Segment)

(₹ in Lacs)

Particulars	Steel Tubes and Pipes	Windmill	Adjustments & Elimination	Total
Revenue				
External Sales	274,804.19	686.13	-	275,490.32
	(178,425.16)	(555.44)	-	(178,980.60)
Inter Segment Revenue	-	1,673.79	(1,673.79)	-
	-	(1,518.20)	(1,518.20)	-
Total Revenue	274,804.19	2,359.92	(1,673.79)	275,490.32
	(178,425.16)	(2,073.64)	(1,518.20)	(178,980.60)
Results				
Segment Results before Interest and Finance Costs	36,502.37	1,136.57	-	37,638.94
	(21,268.04)	(861.38)	-	(22,129.42)
Interest & Dividend Income & Fair value gain on financial instruments at fair value through profit and loss			-	835.49
			-	(1,644.71)
Foreign Exchange (Gain) / Loss on Buyers Credit (net)			-	58.13
			-	-
Interest and Finance Costs			-	1,476.73
			-	(986.06)
Net Profit Before Tax			-	37,055.83
			-	(22,788.07)
Other Information				
Segment Assets	176,351.31	7,824.70	-	184,176.01
	(165,689.24)	(8,541.57)	-	(174,230.81)
Unallocable Assets			-	21,047.60
			-	(411.04)
Total Assets	176,351.31	7,824.70	-	205,223.61
	(165,689.24)	(8,541.57)	-	(174,641.85)
Segment Liabilities	41,625.25	49.73	-	41,674.98
	(29,990.90)	(66.11)	-	(30,057.01)
Unallocated Liabilities and Provisions			-	11,361.31
			-	(13,783.13)
Total Liabilities	41,625.25	49.73	-	53,036.29
	(29,990.90)	(66.11)	-	(43,840.14)
Segment Depreciation	5,495.10	747.29	-	6,242.39
	(5,313.90)	(747.29)	-	(6,061.19)
Capital Expenditure:				
Tangible Fixed Assets	16,651.61	-	-	16,651.61
	(7,022.81)	-	-	(7,022.81)
Intangible Assets	1.33	-	-	1.33
	(54.37)	-	-	(54.37)

Note: Figures in brackets represent previous year's amount.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

Secondary Reportable Segment (Geographical by Customers)

(₹ in Lacs)

Particulars	In India	Outside India	Total
Segment Revenue			
2018-19	219,449.57	56,040.75	275,490.32
2017-18	(133,270.20)	(45,710.40)	(178,980.60)
Segment Assets			
As at 31st March, 2019	198,840.88	6,382.73	205,223.61
As at 31st March, 2018	(161,326.05)	(13,315.80)	(174,641.85)

Revenue from one customer amounted to ₹ 56,113.84 Lacs (31st March, 2018: ₹ 13,858.56 Lacs), arising from sales in the Steel Tubes and Pipes segment (refer note 34 (b)).

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	–	Whole-time 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

(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
Ratnamani Healthcare Private Limited
Comfit Valves Private Limited
Ratnamani Techno Casts Private Limited
Shree Mahavir Education Trust
Ratnaflex Engineering Private Limited

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

B The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Particulars	(₹ in Lacs)	
	2018-19	2017-18
Rent Expense		
Ratnamani Food Products Private Limited	17.42	17.42
Ratnamani Marketing Private Limited	20.34	20.03
Other Purchases		
Ratnamani Healthcare Private Limited	-	3.59
Sales		
Comfit Valves Private Limited	48.21	17.55
Ratnamani Techno Casts Private Limited	312.94	315.97
Ratnaflex Engineering Private Limited	14.41	15.44
Donation		
Shree Mahavir Education Trust	195.00	180.00
Remuneration to Key Management Personnel (excluding commission and sitting fees) (refer note (a) below)	846.36	723.37
Commission		
Mr. Prakash M. Sanghvi	1,250.00	850.00
Mr. Jayanti M. Sanghvi	750.00	510.00
Mr. Shanti M. Sanghvi	500.00	340.00
Sitting Fees		
Mr. Divyabhash C. Anjaria	3.47	2.21
Dr. Vinod M. Agrawal	3.47	1.70
Mr. Pravinchandra M. Mehta	2.96	1.70
Smt. Nidhi G. Gadhecha	1.59	1.36
Outstanding as at year end	As at 31-03-2019	As at 31-03-2018
Receivable		
Comfit Valves Private Limited	19.54	4.88
Ratnamani Techno Casts Private Limited	74.27	100.29
Ratnaflex Engineering Private Limited	1.51	3.65
Payable		
Mr. Prakash M. Sanghvi	1,257.32	857.19
Mr. Jayanti M. Sanghvi	756.56	514.94
Mr. Shanti M. Sanghvi	505.30	344.36
Mr. Manoj P. Sanghvi	2.21	0.38
Mr. Prashant J. Sanghvi	1.78	1.48
Mr. Nilesh P. Sanghvi	1.50	0.79
Mr. Jigar P. Sanghvi	1.10	0.86
Mr. Yash S. Sanghvi	0.89	0.05
Mr. Vimal Katta	2.33	0.88
Mr. Jigar Shah	0.81	0.74

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 Standalone Financial Statements

for the year ended 31st March, 2019

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 2019 the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March 2018: ₹ Nil). 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		2018-19	2017-18
Profit for the year	(₹ in Lacs)	25,293.21	15,178.81
Weighted average no. of shares for EPS computation for basic and diluted EPS	(Nos. in lacs)	467.28	467.28
Earnings per share (basic and diluted)	(₹)	54.13	32.48
Nominal value of shares	(₹)	2.00	2.00

32 DERIVATIVE INSTRUMENTS AT YEAR END

Sr. No.	Particulars	31-03-2019 Amount (₹ In Lacs)	31-03-2019 Foreign Currency (In Lacs)	31-03-2018 Amount (₹ In Lacs)	31-03-2018 Foreign Currency (In Lacs)	Purpose
1	Forward Contracts (USD Purchase)	3,512.35	USD 50.79	325.88	USD 5.00	Hedge of highly probable foreign currency purchase
2	Forward Contracts (USD Purchase)	5,039.65	USD 72.86	-	-	Hedging of buyer's credit in foreign currency
3	Currency and interest rate swap	14,422.22	USD 208.50	-	-	Hedge of highly probable foreign currency commitment

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

33 FINANCIAL INSTRUMENTS, FAIR VALUE MEASUREMENTS, FINANCIAL RISK AND CAPITAL MANAGEMENT

33.1 Category-wise classification of financial instruments:

(₹ in Lacs)

Particulars	Refer Note	As at 31-03-2019			
		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	-	20,313.30	-	20,313.30
Trade receivables	6	-	-	46,206.87	46,206.87
Cash and cash equivalents	7	-	-	14,164.74	14,164.74
Loans	4	-	-	48.43	48.43
Other financial assets	4	-	-	674.23	674.23
Total		-	20,313.30	61,100.35	81,413.65
Financial liabilities					
Borrowings	11	-	-	6,539.66	6,539.66
Trade payables	13	-	-	29,189.58	29,189.58
Derivatives	14	730.80	429.44	-	1,160.24
Other financial liabilities	14	-	-	3,156.55	3,156.55
Total		730.80	429.44	38,885.79	40,046.03

(₹ in Lacs)

Particulars	Refer Note	As at 31-03-2018			
		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 unquoted Government securities	4	-	-	0.06	0.06
Trade receivables	6	-	-	55,818.46	55,818.46
Cash and cash equivalents	7	-	-	456.51	456.51
Loans	4	-	-	43.61	43.61
Derivatives	4	-	4.51	-	4.51
Other financial assets	4	-	-	584.40	584.40
Total		-	4.51	56,909.12	56,913.63
Financial liabilities					
Borrowings	11	-	-	7,891.38	7,891.38
Trade payables	13	-	-	19,277.07	19,277.07
Other financial liabilities	14	-	-	671.32	671.32
Total		-	-	27,839.77	27,839.77

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 below:

- 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.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

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 or 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 Company's financial assets and liabilities:

(₹ in Lacs)

Particulars	As at 31-03-2019			As at 31-03-2018		
	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) (refer note 4)	20,313.30	-	20,313.30	-	325.88	325.88
Financial Liabilities						
Foreign exchange forward contracts USD (measured at FVTPL) - probable foreign currency purchase	-	3,512.35	3,512.35	-	-	-
Foreign exchange forward contracts USD (measured at FVTPL) - foreign currency buyer's credit	-	5,039.65	5,039.65	-	-	-
Foreign exchange USD (measured at FVTPL) - foreign currency and interest rate swap	-	14,422.22	14,422.22	-	-	-

(b) Financial Instruments measured at Amortised Cost

The management assessed that cash and cash equivalents, trade receivables, 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 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 & short-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, 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.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

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. There are no long term borrowing with variable interest rates outstanding as at year end.

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.

The carrying amounts of the Company's unhedged foreign currency denominated monetary items are as follows:

(₹ in Lacs)

Currency	Liabilities		Assets	
	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
USD	14,015.38	7,281.55	18,423.51	13,115.46
EURO	1,281.67	650.52	1.30	576.44
GBP	-	2.78	-	302.30
AED	0.05	-	-	-
JPY	0.52	-	-	-

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. The below table demonstrates the sensitivity to a 1% increase or decrease in the USD 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 Lacs)

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	31-03-2019	31-03-2018	31-03-2019	31-03-2018
USD Sensitivity				
RUPEES / USD – Increase by 1%	44.11	58.15	44.11	58.15
RUPEES / USD – Decrease by 1%	(44.11)	(58.15)	(44.11)	(58.15)

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 2019, the carrying value of such instruments recognised at FVTPL amounts to ₹ 20,313.30 Lacs (31st March 2018 ₹ Nil). 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

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

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, 2019, sales to a customer approximated ₹ 56,113.84 Lacs (or 20.16 % of net revenue) and during the year ended 31st March 2018, sales to such customer approximated ₹ 13,858.56 Lacs (or 8.09 % of net revenue). Accounts receivable from such customer approximated ₹ 6,048.80 Lacs (or 13.07% of total receivables) at 31st March, 2019 and ₹ 3,828.92 Lacs (or 6.86% of total receivables) at 31st March, 2018. A loss of this customer could adversely 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 :

Particulars	(₹ in Lacs)	
	31-03-2019	31-03-2018
Balance at the beginning of the year	213.73	147.57
Add: Allowance for the year based on ECL	71.74	163.48
Less: Utilisation for the year based on ECL	(75.82)	(97.32)
Total provision based on ECL	209.65	213.73
Add: Customer specific provision	-	-
Balance at the end of the year	209.65	213.73

(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 undiscounted payments:

Particulars	(₹ in Lacs)			
	Less than 1 year	1 to 5 years	More than 5 year	Total
Year ended 31st March, 2019				
Interest bearing borrowings	6,539.66	-	-	6,539.66
Trade payables	29,189.58	-	-	29,189.58
Derivatives	429.44	-	730.80	1,160.24
Other financial liabilities	3,156.55	-	-	3,156.55
Year ended 31st March, 2018				
Interest bearing borrowings	7,891.38	-	-	7,891.38
Trade payables	19,277.07	-	-	19,277.07
Other financial liabilities	671.32	-	-	671.32

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.

As at 31st March, 2019, the Company meets its capital requirement through equity and has low debts. Consequent to such capital structure, there are no externally imposed capital requirements.

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.

The management of the Company reviews the capital structure of the Company on regular basis. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

Notes to Standalone Financial Statements

for the year ended 31st March, 2019

36 DISCLOSURE OF SIGNIFICANT INTEREST IN SUBSIDIARIES AS PER PARAGRAPH 17 OF IND AS 27

Name of Entity	Relationship	Place of Business	Ownership %
Ratnamani INC	Subsidiary	United States of America	100%

Note : Method of accounting investment in subsidiary is at cost.

37 EVENTS OCCURRED AFTER THE BALANCE SHEET DATE

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 29th May, 2019, there were no subsequent events to be recognized or reported that are not already previously disclosed.

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 : 29th May, 2019

For KANTILAL PATEL & CO

Chartered Accountants

ICAI Firm Registration No: 104744W

per **JINAL A. PATEL**

Partner

Membership No. 153599

Place : Ahmedabad

Date : 29th May, 2019

For and on behalf of Ratnamani Metals & Tubes Limited

P. M. SANGHVI

Chairman and

Managing Director

DIN : 00006354

S. M. SANGHVI

Whole Time Director

DIN : 00007955

DR. V. M. AGRAWAL

Director

DIN : 00010558

NIDHI GADHECHA

Director

DIN : 06847953

VIMAL KATTA

Chief Financial Officer

J. M. SANGHVI

Whole Time Director

DIN : 00006178

D. C. ANJARIA

Director

DIN : 00008639

P. M. MEHTA

Director

DIN : 00012410

JIGAR SHAH

Company Secretary

Independent Auditor's Report

To the Members of

Ratnamani Metals & Tubes Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS Financial Statements of Ratnamani Metals & Tubes Limited (hereinafter referred to as the "Holding Company"), and its subsidiary (the Holding Company and its subsidiary together referred to as the "Group"), comprising of the consolidated Balance sheet as at March 31 2019, the consolidated Statement of Profit and Loss, including consolidated 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 Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated Ind AS 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 other auditors on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated Ind AS 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 March 31, 2019, their consolidated profit including consolidated other 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 Ind AS 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 Ind AS 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 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 Ind AS 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 Ind AS Financial Statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS 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 Ind AS 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 Ind AS Financial Statements. The results of audit procedures performed by us and by other auditors of components 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 Ind AS Financial Statements.

Key audit matters	How our audit addressed the key audit matter
<p>Recoverability of Trade Receivable balances - Trade receivables (as described in note 6 of the Consolidated Ind AS Financial Statements)</p> <p>Year-end outstanding trade receivables represent balance outstanding from domestic and export customers.</p> <p>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.</p> <p>Trade receivables has been considered a key audit matter in the audit due to size of the outstanding balance of trade receivables.</p>	<p>Our audit procedures among other things, included the following:</p> <ul style="list-style-type: none"> - Understood and tested on a sample basis the design and operating effectiveness of management control over the customer acceptance process, collection and the assessment of the recoverability of receivables; - Tested on a sample basis the ageing of trade receivables at year end; - In respect of material trade receivables balances, inspected relevant contracts and correspondence with the customers; - 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 by the management; - Compared the collateral in the nature of bank guarantees/letter of credits provided by customers as applicable, and; - Evaluated the level of provisions made by management for trade receivables.

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 Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 Ind AS 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 Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS 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 consolidated other 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. 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 Ind AS 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 Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS 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.

Those charged with governance are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS 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 Ind AS 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the consolidated Ind AS 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 Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors. For the other entities included in

the Consolidated Ind AS Financial Statements, which have been audited by other 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 Ind AS 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 Ind AS Financial Statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- (a) We did not jointly audit the financial statements and other financial information, in respect of the subsidiary, whose Ind AS financial statements include total assets of ₹ 94.75 Lacs as at March 31, 2019, and total revenues of ₹ NIL and net cash inflows of ₹ 4.27 Lacs for the year ended on that date. These Ind AS financial statements and other financial information have been audited by one of the joint auditor and other joint auditor has placed reliance on the same. Our opinion on the consolidated Ind AS 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 auditor.
- (b) Our opinion above on the consolidated Ind AS 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 report of one of the joint auditor.

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 Ind AS 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 Consolidated 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 Ind AS Financial Statements;
- (d) In our opinion, the aforesaid consolidated Ind AS Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding company, is disqualified as on March 31, 2019 from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Ind AS 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 March 31, 2019 has been provided by the Holding Company incorporated in India 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:
- The consolidated Ind AS Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its Consolidated Ind AS Financial Statements - Refer Note 26 to the Consolidated Ind AS Financial Statements;
 - Provision has been made in the consolidated Ind AS 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 14 to the Consolidated Ind AS Financial Statements.
 - 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 March 31, 2019.

For S R B C & CO LLP
Chartered Accountants

ICAI Firm registration number:
324982E/E300003

per Pritesh Maheshwari
Partner

Membership No.: 118746

Place: Mumbai
Date: May 29, 2019

For Kantilal Patel & Co.
Chartered Accountants

ICAI Firm registration number:
104744W

per Jinal A. Patel
Partner

Membership No.: 153599

Place: Ahmedabad
Date: May 29, 2019

Annexure-1 to Independent Auditor's 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, 2019.

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 Ind AS Financial Statements of Ratnamani Metals & Tubes Limited as of and for the year ended March 31, 2019, 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Consolidated Ind AS Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these Consolidated Ind AS 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 Consolidated Ind AS 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 Consolidated Ind AS Financial Statements

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

AS 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 Ind AS Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Consolidated Ind AS 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 Ind AS Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Ind AS

Financial Statements were operating effectively as at March 31,2019, 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

Place: Mumbai
Date: May 29, 2019

For Kantilal Patel & Co.
Chartered Accountants

ICAI Firm registration number:
104744W

per Jinal A. Patel
Partner

Membership No.: 153599

Place: Ahmedabad
Date: May 29, 2019

Consolidated Balance Sheet

as at 31st March, 2019

(₹ in Lacs)

Particulars	Notes	As at 31-03-2019	As at 31-03-2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	43,932.42	44,451.70
Capital work-in-progress	3	17,859.81	4,690.61
Intangible assets	3	69.59	86.09
Financial assets	4		
Loans		20.70	17.60
Other financial assets		80.87	79.36
Other non-current assets	8	1,519.46	1,334.79
Total non-current assets		63,482.85	50,660.15
Current assets			
Inventories	5	59,002.93	57,399.60
Financial assets			
Investments	4	20,313.30	0.06
Trade receivables	6	46,207.06	55,818.63
Cash and cash equivalents	7	14,259.30	546.80
Loans	4	27.73	26.01
Other financial assets	4	593.36	509.55
Other current assets	8	1,425.75	9,765.43
Total current assets		141,829.43	124,066.08
Total Assets		205,312.28	174,726.23
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	934.56	934.56
Other equity	10		
Securities premium		2,279.06	2,279.06
Retained earnings		76,016.25	54,156.53
Other reserves		73,045.22	73,513.71
Total other equity		151,340.53	129,949.30
Total equity		152,275.09	130,883.86
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	14	730.80	-
Deferred tax liabilities (net)	12	3,591.06	4,289.10
Total non-current liabilities		4,321.86	4,289.10
Current liabilities			
Financial liabilities			
Borrowings	11	6,539.66	7,891.38
Trade payables	13		
Total outstanding dues of micro enterprises and small enterprises		645.13	940.73
Total outstanding dues of creditors other than micro enterprises and small enterprises		28,545.35	18,338.24
Other financial liabilities	14	3,585.99	671.32
Other current liabilities	15	8,873.57	9,877.08
Provisions	16	490.23	364.99
Current tax liabilities (net)	17	35.40	1,469.53
Total current liabilities		48,715.33	39,553.27
Total liabilities		53,037.19	43,842.37
Total Equity and Liabilities		205,312.28	174,726.23

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 : 29th May, 2019

For KANTILAL PATEL & CO

Chartered Accountants

ICAI Firm Registration No:

104744W

per **JINAL A. PATEL**

Partner

Membership No. 153599

Place : Ahmedabad

Date : 29th May, 2019

For and on behalf of Ratnamani Metals & Tubes Limited

P. M. SANGHVI

Chairman and

Managing Director

DIN : 00006354

S. M. SANGHVI

Whole Time Director

DIN : 00007955

DR. V. M. AGRAWAL

Director

DIN : 00010558

NIDHI GADHECHA

Director

DIN : 06847953

VIMAL KATTA

Chief Financial Officer

J. M. SANGHVI

Whole Time Director

DIN : 00006178

D. C. ANJARIA

Director

DIN : 00008639

P. M. MEHTA

Director

DIN : 00012410

JIGAR SHAH

Company Secretary

Consolidated Statement of Profit and Loss

for the Year Ended on 31st March, 2019

(₹ in Lacs)

Particulars	Notes	Year ended 31-03-2019	Year ended 31-03-2018
Income			
Revenue from operations	18	275,490.32	178,980.60
Other income	19	4,122.64	3,242.29
Total income		279,612.96	182,222.89
Expenses			
Cost of raw materials and components consumed	20	193,729.13	123,546.20
Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(3,326.03)	(9,476.66)
Excise duty on sales		-	2,305.14
Employee benefits expenses	22	12,908.96	10,917.51
Finance costs	23	1,476.73	986.06
Depreciation and amortisation expenses	3	6,242.39	6,061.21
Other expenses	24	31,527.27	25,097.28
Total expenses		242,558.45	159,436.74
Profit before tax		37,054.51	22,786.15
Tax expense			
Current tax	12	13,154.22	8,042.79
(Excess)/Short provision for current tax of earlier years		(948.93)	3.00
Deferred tax	12	(442.67)	(436.53)
Total tax expense		11,762.62	7,609.26
Net profit for the year		25,291.89	15,176.89
Other comprehensive income / (loss)			
Other comprehensive income / (loss) not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans		(80.22)	33.62
Income tax effect		28.03	(11.64)
Other comprehensive income / (loss) not to be reclassified to profit or loss in subsequent periods		(52.19)	21.98
Other comprehensive income / (loss) to be reclassified to profit or loss in subsequent periods			
Net movement in cash flow hedge reserve		(730.80)	-
Income tax effect		255.37	-
		(475.43)	-
Exchange differences on translation of foreign operations		6.94	-
Income tax effect		-	-
		6.94	-
Other comprehensive income / (loss) to be reclassified to profit or loss in subsequent periods		(468.49)	-
Total Other comprehensive income / (loss) for the year, net of tax		(520.68)	21.98
Total comprehensive income for the year, net of tax		24,771.21	15,198.87
Profit for the year attributable to:			
Equity holders of the parent		25,291.89	15,176.89
Non-controlling interest		-	-
Total comprehensive income attributable to:			
Equity holders of the parent		24,771.21	15,198.87
Non-controlling interest		-	-
Earnings per equity share [nominal value per share ₹ 2/- (March 31, 2018: ₹ 2/-)]	31		
Basic & Diluted		54.13	32.48
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 LLPChartered Accountants
ICAI Firm Registration No:
324982E/E300003**per PRITESH MAHESHWARI**Partner
Membership No. 118746Place : Mumbai
Date : 29th May, 2019**For KANTILAL PATEL & CO**Chartered Accountants
ICAI Firm Registration No:
104744W**per JINAL A. PATEL**Partner
Membership No. 153599Place : Ahmedabad
Date : 29th May, 2019**For and on behalf of Ratnamani Metals & Tubes Limited****P. M. SANGHVI**Chairman and
Managing Director
DIN : 00006354**S. M. SANGHVI**Whole Time Director
DIN : 00007955**DR. V. M. AGRAWAL**Director
DIN : 00010558**NIDHI GADHECHA**Director
DIN : 06847953**VIMAL KATTA**

Chief Financial Officer

J. M. SANGHVIWhole Time Director
DIN : 00006178**D. C. ANJARIA**Director
DIN : 00008639**P. M. MEHTA**Director
DIN : 00012410**JIGAR SHAH**

Company Secretary

Consolidated Statement of Change in Equity

for the year ended 31st March, 2019

A. Equity Share Capital

Equity shares of ₹ 2 each issued, subscribed and fully paid	No. in Lacs	₹ in Lacs
As at 1st April, 2017	467.28	934.56
Issue of Equity Share Capital	-	-
As at 31st March, 2018	467.28	934.56
Issue of Equity Share Capital	-	-
As at 31st March 2019	467.28	934.56

B. Other Equity (refer note-10)

(₹ in Lacs)

Particulars	Reserves & Surplus					Cash Flow Hedge Reserve	Other Compre- hensive Income - Foreign Currency Translation Reserve	Total Other Equity
	Securities Premium	Capital Reserve	Amalgamation Reserve	General Reserve	Retained Earnings			
As at 1st April, 2017	2,279.06	490.04	392.11	72,625.16	42,050.88	-	6.40	117,843.65
Profit for the year	-	-	-	-	15,176.91	-	-	15,176.91
Other Comprehensive Income (Re-measurement gain on defined benefit plans, net of tax)	-	-	-	-	21.98	-	-	21.98
Total Comprehensive Income	-	-	-	-	15,198.89	-	-	15,198.89
Transfer to General Reserves	-	-	-	-	-	-	-	-
Cash Dividend (refer note - 10)	-	-	-	-	(2,570.04)	-	-	(2,570.04)
Dividend Distribution Tax (refer note -10)	-	-	-	-	(523.20)	-	-	(523.20)
As at 31st March 2018	2,279.06	490.04	392.11	72,625.16	54,156.53	-	6.40	129,949.30
Profit for the year	-	-	-	-	25,291.89	-	-	25,291.89
Other Comprehensive Income / (loss):								
Re-measurement loss on defined benefit plans, net of tax	-	-	-	-	(52.19)	-	-	(52.19)
Foreign currency translation reserve	-	-	-	-	-	-	6.94	6.94
Net movement in cash flow hedge reserve, net of tax	-	-	-	-	-	(475.43)	-	(475.43)
Total Comprehensive Income	-	-	-	-	25,239.70	(475.43)	6.94	24,771.21
Cash Dividend (refer note - 10)	-	-	-	-	(2,803.68)	-	-	(2,803.68)
Dividend Distribution Tax (refer note -10)	-	-	-	-	(576.30)	-	-	(576.30)
As at 31st March 2019	2,279.06	490.04	392.11	72,625.16	76,016.25	(475.43)	13.34	151,340.53

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 : 29th May, 2019

For KANTILAL PATEL & CO

Chartered Accountants
ICAI Firm Registration No:
104744W

per JINAL A. PATEL

Partner
Membership No. 153599

Place : Ahmedabad
Date : 29th May, 2019

For and on behalf of Ratnamani Metals & Tubes Limited

P. M. SANGHVI

Chairman and
Managing Director
DIN : 00006354

S. M. SANGHVI
Whole Time Director
DIN : 00007955

DR. V. M. AGRAWAL

Director
DIN : 00010558

NIDHI GADHECHA

Director
DIN : 06847953

VIMAL KATTA
Chief Financial Officer

J. M. SANGHVI

Whole Time Director
DIN : 00006178

D. C. ANJARIA

Director
DIN : 00008639

P. M. MEHTA

Director
DIN : 00012410

JIGAR SHAH

Company Secretary

Consolidated Cash Flow Statement

for the year ended 31st March, 2019

(₹ in Lacs)

Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	37,054.51	22,786.15
Adjustments to reconcile profit before tax to net cash flows:		
(Gain)/Loss on Sale/Discard of property, plant and equipment & Capital Work-in-Progress (net)	2.78	(17.15)
Depreciation and amortisation expense	6,242.39	6,061.21
Dividend Income	(265.04)	(294.28)
Interest income and fair value changes in financial instruments	(570.45)	(1,350.43)
Unrealised foreign exchange (gain)/loss	(46.49)	2.82
Provision for doubtful debts	23.70	163.48
Excess Provision & Sundry Balances written back	(143.95)	(224.02)
Interest expense	944.94	658.81
Operating Profit before working capital changes	43,242.39	27,786.59
Working capital adjustments:		
Decrease/(Increase) in trade receivables	9,587.87	(13,439.07)
(Increase) in inventories	(1,603.33)	(23,489.77)
(Increase) in current loans	(1.72)	(4.41)
(Increase) in non current loans	(3.10)	(8.34)
(Increase) in other current financial assets	(28.43)	(197.43)
(Increase)/Decrease in other non-current financial assets	(1.51)	318.45
Decrease/(Increase) in other current non-financial assets	8,339.68	(4,383.93)
Increase in trade payables	10,055.46	7,867.40
(Decrease)/Increase in other current liabilities	(1,003.51)	5,749.03
Increase in other current financial liabilities	593.44	12.61
Increase/(Decrease) in provisions	45.02	(262.24)
Cash generated from operations	69,222.26	(51.11)
Direct taxes paid (net)	(13,869.86)	(7,221.41)
Net Cash (used)/generated from operating activities	55,352.40	(7,272.52)
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including CWIP and capital advances	(16,652.94)	(7,077.20)
Proceeds from sale of fixed assets	178.27	118.03
Sales/(Purchase) of investments (net)	(20,313.24)	7,504.46
Dividend income	265.04	294.28
Interest Income	515.07	1,279.96
Net Cash (used in)/generated from investing activities	(36,007.80)	2,119.53

Consolidated Cash Flow Statement

for the year ended 31st March, 2019

(₹ in Lacs)

Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
C: CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowings (net)	(1,293.59)	7,891.38
Dividend paid	(2,803.68)	(2,570.04)
Dividend distribution tax on dividend	(576.30)	(523.20)
Interest paid	(953.83)	(636.46)
Net Cash (used in)/generated from financing activities	(5,627.40)	4,161.68
Net Increase/(Decrease) in Cash and Cash Equivalents	13,717.20	(991.31)
Effect of Foreign currency translation reserve	6.94	-
Effect of Exchange difference on Cash and Cash equivalents held in foreign currency	(11.64)	(2.82)
Cash and Cash Equivalents at the beginning of the year	546.80	1,540.93
Cash and Cash Equivalents at the end of the year (refer note 7)	14,259.30	546.80

Notes :

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 "Cash Flow Statement".
- As per the recent amendment by MCA in "Ind AS 7 Statement of Cash Flows : Disclosure initiative" effective from 1st April, 2017, disclosure of change in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are given below :

(₹ in Lacs)

Particulars	As at 1st April, 2017	Cash flows	Foreign exchange movement	As at 31st March, 2018
Short term borrowings	-	7,891.38	-	7,891.38
Interest	-	22.35	-	22.35
	-	7,913.73	-	7,913.73
Particulars	As at 1st April, 2018	Cash flows	Foreign exchange movement	As at 31st March, 2019
Short term borrowings	7,891.38	(1,293.59)	(58.13)	6,539.66
Interest	22.35	(8.89)	-	13.46
	7,913.73	(1,302.48)	(58.13)	6,553.12

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 : 29th May, 2019

For KANTILAL PATEL & CO

Chartered Accountants
ICAI Firm Registration No:
104744W

per **JINAL A. PATEL**

Partner
Membership No. 153599

Place : Ahmedabad
Date : 29th May, 2019

For and on behalf of Ratnamani Metals & Tubes Limited

P. M. SANGHVI

Chairman and
Managing Director
DIN : 00006354

S. M. SANGHVI

Whole Time Director
DIN : 00007955

DR. V. M. AGRAWAL

Director
DIN : 00010558

NIDHI GADHECHA

Director
DIN : 06847953

VIMAL KATTA

Chief Financial Officer

J. M. SANGHVI

Whole Time Director
DIN : 00006178

D. C. ANJARIA

Director
DIN : 00008639

P. M. MEHTA

Director
DIN : 00012410

JIGAR SHAH

Company Secretary

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

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, 2019. 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 authorized for issue in accordance with a resolution passed in Board Meeting held on 29th May 2019.

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) 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.

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)

The consolidated financial statements are presented in ₹ and all values are rounded to the nearest Lacs (₹ 00,000), except where otherwise indicated and provide comparative information in respect of the previous period.

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, 2019. 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 unrealized 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	
		2019	2018
Ratnamani INC	United States of America	100%	100%

b CURRENT VERSUS NON-CURRENT CLASSIFICATION:

The Group presents assets and liabilities in the Consolidated 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;

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

- 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 Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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.

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 transaction and on translation of monetary items are recognised in 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.

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 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 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 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 as properties and unquoted financial assets and significant liabilities, such as contingent consideration. 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

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

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):

Property Plant Equipment 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 capitalization criteria are met, the cost of replacing part of the fixed assets 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 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 Consolidated Statement of Profit and Loss for the period during which such expenses are incurred.

An item of property, plant and equipment acquired in exchange for a non-monetary asset is measured at fair value unless (a) the exchange transaction lacks commercial substance or (b) the fair value of neither the asset received nor the asset given up is reliably measurable.

CWIP comprises of cost of property, plant and equipment 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 Consolidated 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 Consolidated 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 Consolidated Statement of Profit or Loss when the asset is derecognised.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

g IMPAIRMENT OF NON-FINANCIAL ASSETS:

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Consolidated Statement of Profit and Loss. If at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

h 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.

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:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. A leased asset is depreciated over the useful life of the asset.

Operating lease payments are recognised as an expense in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term.

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 Consolidated Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments - measured at amortised cost
- Debt instruments, derivatives and equity instruments - measured at fair value through Consolidated Statement of Profit and Loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of 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 Consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit and Loss. This category generally applies to trade, loans and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss.

Equity investments

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 recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to Consolidated Statement of Profit and Loss, even on sale of

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

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 recognized in the Consolidated 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

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial guarantee contracts which are not measured at FVTPL.

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.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Consolidated Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Consolidated 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 Consolidated 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.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Consolidated 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

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through Consolidated Statement of Profit and Loss

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or 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 Consolidated 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 Consolidated 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 Consolidated Statement of Profit and Loss. The Group has not designated any financial liability at FVTPL.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Consolidated 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 Consolidated 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 Consolidated 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 realizable value is the estimated selling price in the ordinary course of business less estimated cost

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

of completion and the estimated costs necessary to make the sale.

I 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.

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 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.

- ii) The Group accounts for pro forma credits, refunds of duty of customs or excise, 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 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 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 Company 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

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated Statement of Profit and Loss. The Group presents the entire leave as a current liability in the Consolidated 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 Consolidated Statement of Profit and Loss.

n TAXES:

Tax expense comprises of current income tax & 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 in the countries where the Group operates and generate taxable income.

Current income tax relating to items recognised outside the Consolidated Statement of Profit and Loss is recognised outside the Consolidated 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 or 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 which 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 Consolidated Statement of Profit and Loss is

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

recognised outside the Consolidated 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.

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

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 Consolidated 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 and interest rate risks, 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 origin 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 ongoing 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.

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.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

r CASH AND CASH EQUIVALENT:

Cash and cash equivalents in the Consolidated 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 Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and short-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 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 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.

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 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.

(a) 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.

(b) Fair value measurement for financial instruments

When the fair values of financial assets and financial liabilities recorded in the Consolidated Balance Sheet can not 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.

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards

Ind AS 115 Revenue from Contracts with Customers

The Group applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures. The Group adopted Ind AS 115 using the full retrospective method of adoption, there were no

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

significant adjustments required to the retained earnings as at April 01, 2017. The adoption of the standard did not have any material impact on the financial statements.

Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Ind AS 116 Leases was notified in October 2018 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a

lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Group intends to adopt these standards, as applicable, and they become effective. As the Group does not have any material leases, therefore the adoption of this standard is not likely to have a material impact in its Financial Statements.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

NOTE NO.-3 PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

(₹ in Lacs)

Particulars	Leasehold land	Freehold land	Buildings	Plant & Machinery	Furniture & fixture	Vehicles	Office equipment	Total
Cost								
As at 1st April, 2017	27.60	1,569.18	9,750.88	42,346.83	427.12	1,400.93	291.83	55,814.37
Additions	-	1,429.96	694.46	3,255.00	4.57	394.04	56.62	5,834.65
Disposals	-	-	-	121.93	-	98.98	0.30	221.21
As at 31st March, 2018	27.60	2,999.14	10,445.34	45,479.90	431.69	1,695.99	348.15	61,427.81
Additions	-	1,558.21	539.59	3,327.84	10.22	216.20	234.27	5,886.33
Disposals (refer note ii)	-	125.16	83.08	22.08	-	157.76	1.18	389.26
As at 31st March, 2019	27.60	4,432.19	10,901.85	48,785.66	441.91	1,754.43	581.24	66,924.88
Depreciation/Amortization and Impairment								
As at 1st April, 2017	0.70	-	720.67	9,842.46	164.27	208.98	128.85	11,065.93
Depreciation/Amortization for the year	0.35	-	470.63	5,210.47	71.16	222.84	55.06	6,030.51
Disposals	-	-	-	47.61	-	72.60	0.12	120.33
As at 31st March, 2018	1.05	-	1,191.30	15,005.32	235.43	359.22	183.79	16,976.11
Depreciation/Amortization for the year	0.35	-	434.91	5,413.56	43.00	251.23	81.51	6,224.56
Disposals	-	-	77.60	20.11	-	109.86	0.64	208.21
As at 31st March, 2019	1.40	-	1,548.61	20,398.77	278.43	500.59	264.66	22,992.46
Net Block								
As at 31st March, 2019	26.20	4,432.19	9,353.24	28,386.89	163.48	1,253.84	316.58	43,932.42
As at 31st March, 2018	26.55	2,999.14	9,254.04	30,474.58	196.26	1,336.77	164.36	44,451.70

- i) Buildings includes ₹ 47.80 Lacs (31st March, 2018 ₹ 47.80 Lacs) representing cost of unquoted fully paid shares held in co-operative housing societies.
- ii) During the year, freehold land amounting to ₹ 125.16 Lacs has been transferred in favour of Gujarat Energy Transmission Corporation Limited for setting up of substation for supply of electricity to the Company, which is accordingly reclassified in electrical installation under capital work-in-progress.

(b) Intangible Assets

(₹ in Lacs)

Particulars	Software
Cost	
As at 1st April, 2017	167.08
Additions	54.37
As at 31st March, 2018	221.45
Additions	1.33
As at 31st March, 2019	222.78
Amortisation and Impairment	
As at 1st April, 2017	104.68
Amortisation for the year	30.68
As at 31st March, 2018	135.36
Amortisation for the year	17.83
As at 31st March, 2019	153.19
Net Block	
As at 31st March, 2019	69.59
As at 31st March, 2018	86.09

(c) Capital work-in-progress

Particulars	(₹ in Lacs)
As at 31st March, 2019	17,859.81
As at 31st March, 2018	4,690.61

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

(₹ in Lacs)

Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
4	FINANCIAL ASSETS		
	Investments		
	Non-Trade Investments		
	Investments in Mutual Funds (Quoted) (at fair value through profit and loss)		
	37,19,748.502 (31st March, 2018 Nil) Units of ICICI Prudential Liquid Fund - Direct Plan - Daily Dividend	3,725.24	-
	4,04,492.603 (31st March, 2018 Nil) Units of Axis Liquid Fund - Direct Daily Dividend - CFDR	4,048.79	-
	3,61,373.962 (31st March, 2018 Nil) Units of Kotak Liquid Direct Plan Daily Dividend	4,420.63	-
	8,09,234.359 (31st March, 2018 Nil) units of SBI Liquid Fund Direct Daily Dividend	8,118.64	-
	Other unquoted investments in Government Securities (At Amortised cost)		
	National saving certificates	-	0.06
		20,313.30	0.06
	Current	20,313.30	0.06
	Non-Current	-	-
		20,313.30	0.06
	Aggregate value of Unquoted Investments	-	0.06
	Aggregate book value of Quoted Mutual Funds	20,313.30	-
		20,313.30	0.06
	Aggregate market value of Quoted Mutual Funds (refer note-33)	20,313.30	-
	Loans (Unsecured, Considered Good)		
	Loans to employees	48.43	43.61
		48.43	43.61
	Current	27.73	26.01
	Non-Current	20.70	17.60
		48.43	43.61
	Other Financial Assets		
	Interest accrued	68.17	12.79
	Security deposits	458.52	454.21
	Derivative receivables (at fair value through profit or loss)	-	4.51
	Wind-Mill surplus receivable	114.92	92.13
	Others	32.62	25.27
		674.23	588.91
	Current	593.36	509.55
	Non-Current	0.87	79.36
		674.23	588.91

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, 2019

(₹ in Lacs)

Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
5	INVENTORIES (at lower of cost and net realisable value)		
	Raw materials		
	Raw materials and components	26,742.94	26,233.05
	Raw materials in transit	3,208.63	6,363.74
	Work-in-progress	19,903.94	21,099.70
	Finished goods		
	Finished goods	3,308.14	1,186.33
	Finished goods in transit	2,460.58	60.60
	Stores and spares	3,378.70	2,456.18
		59,002.93	57,399.60

(₹ in Lacs)

	As at 31-03-2019	As at 31-03-2018
6	TRADE RECEIVABLES	
	Secured, considered good	13,084.48
	Unsecured, considered good	33,122.58
	Trade receivables which have significant increase in credit Risk	-
	Trade receivables - credit impaired	209.65
	Total	46,416.71
	Less:	
	Impairment allowance (allowance for bad and doubtful debts)	
	Trade receivables - credit impaired	209.65
	Total trade receivables	46,207.06
	Above includes :	
	Receivables from related parties, unsecured, considered good (refer note-30)	95.32

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.

(₹ in Lacs)

	As at 31-03-2019	As at 31-03-2018
7	CASH AND CASH EQUIVALENTS	
	Balances with Banks	
	In Current accounts	4,923.87
	Deposits with original maturity of three months or less	9,200.00
	Unpaid dividend accounts	120.24
	Cash on hand	15.19
		14,259.30
		546.80

Cash at banks earns interest at floating rates based on daily bank deposit rates. 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.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

(₹ in Lacs)

Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
8	OTHER ASSETS		
	Capital advances	959.65	1,033.45
	Investment in silver	0.84	0.84
	Prepaid expense	184.09	335.36
	Advance receivable in cash or kind		
	Advance for material	615.92	4,727.81
	Excise / GST claim receivables	228.09	1,248.82
	DEPB / Export licenses	71.53	531.97
	Balances with government authorities	305.79	2,610.75
	Export benefits receivable	8.26	44.05
	Others	32.07	286.67
		1,261.66	9,450.07
		2,406.24	10,819.72
	Non-Current tax assets (net)	538.97	280.50
		2,945.21	11,100.22
	Current	1,425.75	9,765.43
	Non-Current	1,519.46	1,334.79
		2,945.21	11,100.22

9 SHARE CAPITAL

Particulars	As at 31-03-2019		As at 31-03-2018	
	No. in Lacs	₹ in Lacs	No. in Lacs	₹ in Lacs
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.

For the current financial year 2018-19, the Company has proposed dividend of ₹ 9/- per share to equity shareholder (declared in the previous financial year dividend of ₹ 6/- per share).

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 31-03-2019		As at 31-03-2018	
	No. in Lacs	₹ in Lacs	No. in Lacs	₹ in Lacs
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

Details of Shareholders holding more than 5% Equity Shares in the Company

Name of the Shareholder	As at 31-03-2019		As at 31-03-2018	
	No. of Shares	% held	No. in Shares	% held
Prakash M. Sanghvi	7,186,385	15.38%	7,186,385	15.38%
Jayanti M. Sanghvi	3,911,025	8.37%	3,861,195	8.26%
Nalanda India Fund Limited	2,850,155	6.10%	3,604,155	7.71%

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.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

(₹ in Lacs)

Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
10	OTHER EQUITY		
	Securities Premium Reserve	2,279.06	2,279.06
	Increase/(decrease) during the year	-	-
		2,279.06	2,279.06
	Securities premium reserve 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		
	Foreign Exchange Translation reserve	6.40	8.80
	Increase/(decrease) during the year	6.94	(2.40)
		13.34	6.40
	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.		
	Capital Reserve	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.		
	Amalgamation Reserve	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.		
	General Reserve	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.		
	Other Comprehensive Income		
	Cash flow hedge reserve		
	Net movement during the year	(475.43)	-
		(475.43)	-
	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.		
	Retained Earnings	54,156.53	42,050.88
	Profit for the year	25,291.89	15,176.91
	Other Comprehensive Income	(52.19)	21.98
	Cash Dividend	(2,803.68)	(2,570.04)
	Dividend Distribution Tax	(576.30)	(523.20)
		76,016.25	54,156.53
	Total Other Equity	151,340.53	129,949.30

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

Distribution made and proposed

(₹ in Lacs)

	As at 31-03-2019	As at 31-03-2018
Cash dividend on equity shares declared and paid		
Final Dividend for the year ended 31st March, 2018: ₹ 6.00 per share (for the year ended 31st March, 2017: ₹ 5.50 per share)	2,803.68	2,570.04
Dividend distribution tax	576.30	523.20
	3,379.98	3,093.24
Proposed dividend on equity shares		
Final Dividend for the year ended 31st March, 2019: ₹ 9.00 per share (for the year ended 31st March, 2018: ₹ 6.00 per share)	4,205.52	2,803.68
Dividend distribution tax	864.46	576.30
	5,069.98	3,379.98
	8,449.96	6,473.22

Proposed dividends on equity shares are subject to approval at the ensuing Annual General Meeting and are not recognised as a liability (including dividend distribution tax thereon) as at March 31.

(₹ in Lacs)

Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
11	BORROWINGS		
	Short term Borrowings		
	Cash credit/export packing credit facilities (secured)(refer note-a)	-	2,891.38
	Buyer's credits in foreign currencies (unsecured)	5,039.66	-
	Short term loan from banks (Unsecured)	1,500.00	5,000.00
	Total Borrowings	6,539.66	7,891.38
a)	Short term Borrowings were secured by - i) Hypothecation of Inventories, Books Debts, all other movables; ii) Second charge on Fixed Assets of the Group iii) Joint equitable mortgage of all immovable properties held as free-hold and leasehold lands of the Group, except: Lease hold land situated at 3306-09, GIDC Chhatral, Taluka Kalol. Short term Borrowings from banks carries interest in the range of 3.16% to 10.60%.		
b)	At 31 March 2019, the Company has available fund base working capital limits from consortium banks, term loan and external commercial borrowing (ECB) aggregating to ₹ 34,100.00 Lacs (March 31, 2018 ₹ 3,608.62 Lacs) of undrawn committed borrowing facilities.		

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

(₹ in Lacs)

Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
12	INCOME TAX		
	The major component of income tax expense for the years ended 31st March, 2019 and 31st March, 2018 are :		
	Consolidated Statement of Profit and Loss		
	Current tax		
	Current income tax	13,154.22	8,042.79
	Tax in respect of Earlier years	(948.93)	3.00
	Deferred tax		
	Deferred tax expense/(benefit)	(442.67)	(436.53)
	Income tax expense reported in the consolidated statement of profit and loss	11,762.62	7,609.26
	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	28.03	(11.64)
	Net movement in cash flow hedge reserve	255.37	-
	Tax credited to OCI	283.40	(11.64)

a) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended 31st March, 2019 and 31st March, 2018:

(₹ in Lacs)

Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
Accounting Profit before tax	37,054.51	22,786.15
Enacted income tax rate in India applicable to the Company	34.944%	34.608%
Tax using the Company's domestic tax rate	12,948.33	7,885.83
Tax effects of :		
Exempt Income	(92.62)	(101.84)
Deduction under chapter VIA	(555.61)	(483.66)
Non-deductible expenses	309.46	163.08
Excess provision for current tax of earlier years	(948.93)	3.00
Others	101.99	142.85
At the effective income tax rate of 31st March, 2019: 31.74% (31st March, 2018: 33.39%)	11,762.62	7,609.26

(b) Movement in deferred tax liabilities (net) for the year ended 31st March, 2019

(₹ in Lacs)

Particulars	Opening Balance as at 1st April, 2018	Recognised in consolidated profit and loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2019
Tax effect of items constituting deferred tax liabilities :				
Property, plant and equipment	4,516.90	(339.14)	-	4,177.76
	4,516.90	(339.14)	-	4,177.76
Tax effect of items constituting deferred tax assets :				
Asset on expenses allowed in year of payment	(223.69)	(103.53)	-	(327.22)
Asset on movement in cash flow hedge reserve	-	-	(255.37)	(255.37)
Other adjustments	(4.11)	-	-	(4.11)
	(227.80)	(103.53)	(255.37)	(586.70)
Net deferred tax liabilities	4,289.10	(442.67)	(255.37)	3,591.06

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

Movement in deferred tax liabilities (net) for the year ended 31st March, 2018

Particulars	(₹ in Lacs)			
	Opening Balance as at 1st April, 2017	Recognised in consolidated profit and loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2018
Tax effect of items constituting deferred tax liabilities :				
Property, plant and equipment	4,822.02	(305.12)	-	4,516.90
	4,822.02	(305.12)	-	4,516.90
Tax effect of items constituting deferred tax assets :				
Asset on expenses allowed in year of payment	(92.42)	(131.27)	-	(223.69)
Other adjustments	(3.97)	(0.14)	-	(4.11)
	(96.39)	(131.41)	-	(227.80)
Net deferred tax liabilities	4,725.63	(436.53)	-	4,289.10

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.

During the year ended 31st March, 2019 and 31st March, 2018, 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.

Note No.	Particulars	(₹ in Lacs)	
		As at 31-03-2019	As at 31-03-2018
13	TRADE PAYABLES		
	Total outstanding dues of micro enterprises and small enterprises (refer note-a)	645.13	940.73
	Total outstanding dues of creditors other than micro enterprises and small enterprises	28,545.35	18,338.24
		29,190.48	19,278.97

The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development (MSMED) as at 31st March 2019. The disclosure pursuant to the said Act is as under:

Particulars	31-03-2019	31-03-2018
i) Amounts remaining unpaid as at year end towards		
Principal	645.13	940.73
Interest	2.83	-
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;		
Principal	-	-
Interest	-	-
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;		
Total interest accrued	2.83	-
Interest remaining unpaid	2.83	-
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, 2019

(₹ in Lacs)

Note No.	Particulars	As at 31-03-2019	As at 31-03-2018
14	OTHER CURRENT FINANCIAL LIABILITIES		
	Financial liabilities at fair value through OCI		
	Cash flow hedges		
	Currency and interest rate swaps	730.80	-
	Financial liabilities at fair value through profit or loss		
	Derivatives not designated as hedges	429.44	-
	Other financial liabilities at amortised cost		
	Interest Accrued but not due	13.46	22.35
	Payables in respect of capital goods	2,868.32	538.20
	Unpaid dividend#	120.24	110.77
	Other miscellaneous liabilities	154.53	-
		4,316.79	671.32
	Current	3,585.99	671.32
	Non-Current	730.80	-
		4,316.79	671.32

not due for credit to "Investors Education and Protection Fund"

Fair value disclosures for financial liabilities (refer note 33.1)

(₹ in Lacs)

		As at 31-03-2019	As at 31-03-2018
15	OTHER CURRENT LIABILITIES		
	Contract liability (Advance from customers)	7,362.88	8,676.47
	Statutory dues payable	1,199.72	1,045.21
	Other miscellaneous liabilities	310.97	155.40
		8,873.57	9,877.08

(₹ in Lacs)

		As at 31-03-2019	As at 31-03-2018
16	PROVISIONS		
	Provision for employee benefits		
	Compensated absences	273.83	240.02
	Gratuity (refer note-25)	216.40	124.97
		490.23	364.99
	Current	490.23	364.99
	Non-Current	-	-
		490.23	364.99

(₹ in Lacs)

		As at 31-03-2019	As at 31-03-2018
17	CURRENT TAX LIABILITIES		
	Provision for Income tax (net of advance tax)	35.40	1,469.53
		35.40	1,469.53

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

(₹ in Lacs)

Note No.	Particulars	Year ended 31-03-2019	Year ended 31-03-2018
18	REVENUE FROM CONTRACTS WITH CUSTOMERS		
18.1	Disaggregated Revenue Information		
	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	269,691.79	173,838.65
	Sale of power generated from windmills	686.13	555.44
	Sale of services	3,102.72	2,934.60
	Revenue from contracts with customers	273,480.64	177,328.69
	Other operating revenue	2,009.68	1,651.91
	Total revenue from operations	275,490.32	178,980.60
	Sales of steel tubes and pipes		
	In India	213,651.04	128,128.25
	Outside India	56,040.75	45,710.40
		269,691.79	173,838.65
	Sale of power generated from windmills		
	In India	686.13	555.44
	Sale of Services		
	In India	3,102.72	2,934.60
	Total revenue from contracts with customers	273,480.64	177,328.69
	Timing of revenue recognition		
	Goods and services transferred at a point in time	273,480.64	177,328.69
	Total Revenue from contracts with customers	273,480.64	177,328.69
	Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information (refer note-29)		
			(₹ in Lacs)
	Revenue	Year ended 31-03-2019	Year ended 31-03-2018
	Segments:		
	Steel tubes and pipes	272,794.51	176,773.25
	Wind mills	686.13	555.44
	Wind mills -inter-segment	1,673.79	1,518.20
		275,154.43	178,846.89
	Inter-segment adjustment and elimination	(1,673.79)	(1,518.20)
	Total revenue from contracts with customers	273,480.64	177,328.69
	Goods and Service Tax ("GST") has been implemented with effect from July 1, 2017 which replaces excise duty and other input taxes. As per Ind AS 115, the revenue for the year ended March 31st, 2019 is reported net of GST. According to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the revenue from operations for the year ended March 31st, 2018 are inclusive of excise duty until the period ended June 30, 2017. The results for the year ended March 31st, 2018 is not comparable to that extent.		
			(₹ in Lacs)
	Particulars	As at 31-03-2019	As at 31-03-2018
18.2	Contract Balances		
	Trade receivables	46,206.87	55,818.46
	Contract liabilities (Advance from customers)	7,362.88	8,676.47

In March 2019, ₹ 23.70 Lacs (March, 2018: ₹ 163.48 Lacs) 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 2018-19 due to continuous performance obligations satisfied.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

Set out below is the amount of revenue recognised from :-

(₹ in Lacs)

Particulars	Year ended 31-03-2019	As at 31-03-2018
Amounts included in Contract liabilities (Advance from customers) at the beginning of the year	8,676.47	3121.64
Performance obligations satisfied in previous years	8,202.23	2,931.99

(₹ in Lacs)

Particulars	As at 31-03-2019	As at 31-03-2018
18.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price (net of taxes)	276,255.68	177,410.43
Adjustments :		
Provision for sales return, late deliveries etc.	(2,775.04)	(81.74)
Revenue from contract with customers	273,480.64	177,328.69

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 31st March, 2019 are, as follows:

(₹ in Lacs)

Particulars	As at 31-03-2019	As at 31-03-2018
Within one year	146,576.52	169,247.35
More than one year	-	10,000.11
	146,576.52	179,247.46

(₹ in Lacs)

Note No.	Particulars	Year ended 31-03-2019	Year ended 31-03-2018
19	OTHER INCOME		
	Interest income on		
	Inter corporate deposits	-	15.53
	Bank deposits	62.22	2.79
	Others	507.42	1,210.67
	Other non-operating income		
	Fair value gain on financial instruments at fair value through profit and loss	0.81	121.44
	Profit on Sale/Discard/Reduction in value of fixed assets (net)	-	17.15
	Bad debts recovered	-	3.61
	Sundry balances written back	143.95	224.02
	Dividend income on current investments	265.04	294.28
	Foreign exchange fluctuation (net)	2,804.92	1,310.64
	Miscellaneous income	338.28	42.16
		4,122.64	3,242.29

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

(₹ in Lacs)

Note No.	Particulars	Year ended 31-03-2019	Year ended 31-03-2018
20	COST OF RAW MATERIALS AND COMPONENTS CONSUMED		
	Opening inventory	32,596.79	19,225.75
	Add: Purchases	191,083.91	136,917.24
		223,680.70	156,142.99
	Less: Closing inventory	29,951.57	32,596.79
	Cost of raw materials and components consumed	193,729.13	123,546.20
			(₹ in Lacs)
		Year ended 31-03-2019	Year ended 31-03-2018
21	(INCREASE)/DECREASE IN INVENTORY		
	Inventories at the end of the year		
	Work in process	19,903.94	21,099.70
	Finished goods	5,768.72	1,246.93
		25,672.66	22,346.63
	Inventories at the beginning of the year		
	Work in process	21,099.70	12,258.43
	Finished goods	1,246.93	611.54
		22,346.63	12,869.97
	(Increase)/Decrease In Inventory		
	Work in process	1,195.76	(8,841.27)
	Finished goods	(4,521.79)	(635.39)
		(3,326.03)	(9,476.66)
			(₹ in Lacs)
		Year ended 31-03-2019	Year ended 31-03-2018
22	EMPLOYEE BENEFITS EXPENSES		
	Salaries, wages and bonus	11,247.96	9,385.09
	Contribution to provident and other funds	655.18	626.08
	Gratuity expense (refer note-25)	169.57	160.22
	Staff welfare expenses	836.25	746.12
		12,908.96	10,917.51
			(₹ in Lacs)
		Year ended 31-03-2019	Year ended 31-03-2018
23	FINANCE COSTS		
	Interest on debts and borrowings	666.49	517.74
	Interest on income tax	103.93	40.00
	Interest others	174.52	101.07
	Bank charges	531.79	327.25
		1,476.73	986.06

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

(₹ in Lacs)

Note No.	Particulars	Year ended 31-03-2019	Year ended 31-03-2018
24	OTHER EXPENSES		
	Consumption of stores & spares	6,551.05	5,009.14
	Freight & transport charges	11,800.88	7,372.66
	Power & fuel	4,021.03	3,432.19
	Labour & processing charges	3,849.08	4,540.73
	Repairs and maintenance:		
	Plant and machineries	812.22	730.32
	Buildings	162.77	228.43
	Others	62.03	79.25
	Testing and inspection charges	145.29	66.60
	Legal & consultancy charges	438.28	373.48
	Traveling & conveyance expenses	517.74	432.65
	Insurance	387.32	309.73
	Rent	190.53	117.68
	Rates & taxes	397.09	280.39
	Advertisement & other expenses	108.54	82.74
	Sales commission	252.25	648.71
	Loss on Sale/Discard/Reduction in value of fixed assets (net)	2.78	-
	Increase/(Decrease) in excise duty on inventory	-	(43.96)
	Provision for doubtful debts	23.70	163.48
	Bad debts written off	27.78	97.32
	Provision for doubtful debts utilised	(27.78)	(97.32)
	Charity and donations (refer note-a)	242.31	202.66
	Directors' sitting fees	11.49	6.97
	Miscellaneous expenses (refer note-a)	1,550.89	1,063.43
		31,527.27	25,097.28
a)	Other expenses include ₹ 432.66 Lacs (P.Y. ₹ 228.60 Lacs), 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	442.05	464.76
	2. Amount spent during the year:		
	i) Construction/acquisition of any asset	195.00	180.00
	ii) On purposes other than (i) above	237.66	48.60
		432.66	228.60
	3. Amount unspent during the year:	9.39	236.16
		9.39	236.16
		442.05	464.76

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

25 EMPLOYEE BENEFITS EXPENSES

A. Defined contribution plans:

Amount of ₹ 655.18 Lacs (31st March, 2018: ₹ 626.08 Lacs) is recognised as expenses and included in note no. 22 "Employee benefits expenses".

(₹ in Lacs)

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Provident fund	273.03	278.44
Contributory pension scheme	254.52	190.63
Superannuation fund	127.11	156.42
Gujarat labour welfare fund	0.52	0.59
	655.18	626.08

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.

31st March, 2019 : Changes in defined benefit obligation and plan assets

(₹ in Lacs)

	Cost charged to consolidated Statement of Profit and Loss				Benefit paid	Remeasurement (gains)/losses in other comprehensive income					31st March, 2019
	1st April, 2018	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 adjust- ments	Sub-total included in OCI	Contri- butions by employer	
Gratuity											
Defined benefit obligation	2,369.35	159.76	185.99	345.75	(77.40)	-	12.94	63.28	76.22	-	2,713.92
Fair value of plan assets	2,244.38	-	176.18	176.18	(44.01)	4.00	-	-	4.00	124.97	2,497.52
Benefit liability	124.97	159.76	9.81	169.57	-	(4.00)	12.94	63.28	80.22	(124.97)	216.40
Total benefit liability	124.97	159.76	9.81	169.57	-	(4.00)	12.94	63.28	80.22	(124.97)	216.40

31st March, 2018 : Changes in defined benefit obligation and plan assets

(₹ in Lacs)

	Cost charged to consolidated Statement of Profit and Loss				Benefit paid	Remeasurement (gains)/losses in other comprehensive income					31st March, 2018
	1st April, 2017	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 adjust- ments	Sub-total included in OCI	Contri- butions by employer	
Gratuity											
Defined benefit obligation	2,175.32	133.90	159.66	293.56	(76.73)	-	(105.14)	82.34	(22.80)	-	2,369.35
Fair value of plan assets	1,816.68	-	133.34	133.34	(76.73)	(10.82)	-	-	(10.82)	360.27	2,244.38
Benefit liability	358.64	133.90	26.32	160.22	-	10.82	(105.14)	82.34	(33.62)	(360.27)	124.97
Total benefit liability	358.64	133.90	26.32	160.22	-	10.82	(105.14)	82.34	(33.62)	(360.27)	124.97

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	As at 31-03-2019 (₹ in Lacs)	As at 31-03-2018 (₹ in Lacs)
Insurance funds	2,497.52	2,244.38
(%) 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 31-03-2019	Year Ended 31-03-2018
Discount rate	7.79%	7.85%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	7.79%	7.85%
Employee turnover rate	2.00%	2.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

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)		
Particulars	Sensitivity level	As at 31-03-2019 (₹ in Lacs)	As at 31-03-2018 (₹ in Lacs)
Discount rate	1% increase	(200.07)	(182.26)
	1% decrease	235.52	215.05
Salary increase	1% increase	232.68	212.58
	1% decrease	(201.44)	(183.59)
Employee turnover	1% increase	(5.11)	(3.77)
	1% decrease	5.66	4.14

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	Year ended 31-03-2019 (₹ in Lacs)	Year ended 31-03-2018 (₹ in Lacs)
Within the next 12 months (next annual reporting period)	666.58	561.23
Between 2 and 5 years	442.31	353.28
Beyond 5 years	5,354.72	4,969.98
Total expected payments	6,463.61	5,884.49

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at 31-03-2019 (Years)	As at 31-03-2018 (Years)
Gratuity	17	17

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

The followings are the expected contributions to planned assets for the next year:

Particulars	Year ended 31-03-2019 (₹ in Lacs)	Year ended 31-03-2018 (₹ in Lacs)
Gratuity	330.75	284.73

26 COMMITMENTS AND CONTINGENCIES

a. Leases :

Operating lease commitments – Group as lessee

The Group has entered into operating leases and has taken office premises, guest house and other properties on lease, with lease terms between one to five years. The Group has the option, under some of its leases, to lease the assets for additional terms of one to five years. The leases are cancellable in nature.

Total rent expense during the year is ₹ 190.53 Lacs (31st March, 2018 ₹ 117.68 Lacs).

b. Contingent Liabilities :

(₹ in Lacs)

Sr. No.	Particulars	As at 31-03-2019	As at 31-03-2018
a)	Bill discounted and not matured	-	9,838.43
b)	ESI liability (excluding interest leviable, if any)	398.69	360.10
c)	Disputed statutory claims/levies for which the Group has preferred appeal in respect of (excluding interest leviable, if any):		
	- Income tax	-	0.60
	- Excise/Custom duty (note-i)	237.05	3,360.65

Note-(i) Excise/Custom duty demand comprise various demands from the Excise Authorities for payment of ₹ 237.05 Lacs (31st March, 2018 ₹ 3,360.65 Lacs). 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.

Note-(ii) There has been a Supreme Court (SC) judgement dated 28th February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. Based on legal advise the Group does not have any liability for previous years on account of this judgement. However, the Group will continue to assess any further developments in this matter for the implications on financial statements, if any.

c) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 14,375.69 Lacs (31st March, 2018 ₹ 15,860.42 Lacs).

27 The Group has incurred premium expenses of ₹ 139.81 Lacs (31st March, 2018 ₹ 138.41 Lacs) on Key Man Insurance Policy and term plan policy of Chairman and Managing Director and Whole-Time Directors, which is included in insurance expenses.

28 During the year ended March 31, 2019 ₹ 539.62 Lacs (March 31, 2018 ₹ 330.87 Lacs) was recognised as an expense for inventories carried at net realisable value.

29 SEGMENT INFORMATION

Operating Segments:

The Group is engaged in the business of Steel Tubes and Pipes and generation of power by Windmills. In accordance with the requirements of Ind AS 108 "Operating Segments" Group has identified these two segments as reportable segments.

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment Assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Inter Segment transfer: Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the Company level.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

Summary of segment information is given below:

Primary Reportable Segment (Business Segment)

(₹ in Lacs)

Particulars	Steel Tubes and Pipes	Windmill	Adjustments & Elimination	Total
Revenue				
External Sales	274,804.19	686.13	-	275,490.32
	(178,425.16)	(555.44)	-	(178,980.60)
Inter Segment Revenue	-	1,673.79	(1,673.79)	-
	-	(1,518.20)	(1,518.20)	-
Total Revenue	274,804.19	2,359.92	(1,673.79)	275,490.32
	(178,425.16)	(2,073.64)	(1,518.20)	(178,980.60)
Results				
Segment Results before Interest and Finance Costs	36,501.05	1,136.57	-	37,637.62
	(21,266.12)	(861.38)	-	(22,127.50)
Interest & Dividend Income & Fair value gain on financial instruments at fair value through profit and loss			-	835.49
			-	(1,644.71)
Foreign Exchange (Gain) / Loss on Buyers Credit (net)			-	58.13
Interest and Finance Costs			-	1,476.73
			-	(986.06)
Net Profit Before Tax			-	37,054.51
			-	(22,786.15)
Other Information				
Segment Assets	176,446.06	7,824.70	-	184,270.76
	(165,779.70)	(8,541.57)	-	(174,321.27)
Unallocable Assets			-	21,041.52
			-	(404.96)
Total Assets	176,446.06	7,824.70	-	205,312.28
	(165,779.70)	(8,541.57)	-	(174,726.23)
Segment Liabilities	41,626.15	49.73	-	41,675.88
	(29,993.13)	(66.11)	-	(30,059.24)
Unallocated Liabilities and Provisions			-	11,361.31
			-	(13,783.13)
Total Liabilities	41,626.15	49.73	-	53,037.19
	(29,993.13)	(66.11)	-	(43,842.37)
Segment Depreciation	5,495.10	747.29	-	6,242.39
	(5,313.92)	(747.29)	-	(6,061.21)
Capital Expenditure:				
Tangible Fixed Assets	16,651.61	-	-	16,651.61
	(7,022.83)	-	-	(7,022.83)
Intangible Assets	1.33	-	-	1.33
	(54.37)	-	-	(54.37)

Note: Figures in brackets represent previous year's amount.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

Secondary Reportable Segment (Geographical by Customers)

(₹ in Lacs)

Particulars	In India	Outside India	Total
Segment Revenue			
2018-19	219,449.57	56,040.75	275,490.32
2017-18	(133,270.20)	(45,710.40)	(178,980.60)
Segment Assets			
As at 31st March, 2019	198,929.55	6,382.73	205,312.28
As at 31st March, 2018	(161,410.43)	(13,315.80)	(174,726.23)

Revenue from one customer amounted to ₹ 56,113.84 Lacs (31st March, 2018: ₹ 13,858.56 Lacs), arising from sales in the Steel Tubes and Pipes segment (refer note 34 (b)).

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	–	Whole-time 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

(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
Ratnamani Healthcare Private Limited
Comfit Valves Private Limited
Ratnamani Techno Casts Private Limited
Shree Mahavir Education Trust
Ratnaflex Engineering Private Limited

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

B The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Particulars	(₹ in Lacs)	
	2018-19	2017-18
Rent Expense		
Ratnamani Food Products Private Limited	17.42	17.42
Ratnamani Marketing Private Limited	20.34	20.81
Other Purchases		
Ratnamani Healthcare Private Limited	-	3.59
Sales		
Comfit Valves Private Limited	48.21	17.55
Ratnamani Techno Casts Private Limited	312.94	315.97
Ratnaflex Engineering Private Limited	14.41	15.44
Donation		
Shree Mahavir Education Trust	195.00	180.00
Remuneration to Key Management Personnel (excluding commission and sitting fees) (refer note (a) below)	846.36	723.37
Commission		
Mr. Prakash M. Sanghvi	1,250.00	850.00
Mr. Jayanti M. Sanghvi	750.00	510.00
Mr. Shanti M. Sanghvi	500.00	340.00
Sitting Fees		
Mr. Divyabhash C. Anjaria	3.47	2.21
Dr. Vinod M. Agrawal	3.47	1.70
Mr. Pravinchandra M. Mehta	2.96	1.70
Smt. Nidhi G. Gadhecha	1.59	1.36
Outstanding as at year end	As at 31-03-2019	As at 31-03-2018
Receivable		
Comfit Valves Private Limited	19.54	4.88
Ratnamani Techno Casts Private Limited	74.27	100.29
Ratnaflex Engineering Private Limited	1.51	3.65
Payable		
Mr. Prakash M. Sanghvi	1,257.32	857.19
Mr. Jayanti M. Sanghvi	756.56	514.94
Mr. Shanti M. Sanghvi	505.30	344.36
Mr. Manoj P. Sanghvi	2.21	0.38
Mr. Prashant J. Sanghvi	1.78	1.48
Mr. Nilesh P. Sanghvi	1.50	0.79
Mr. Jigar P. Sanghvi	1.10	0.86
Mr. Yash S. Sanghvi	0.89	0.05
Mr. Vimal Katta	2.33	0.88
Mr. Jigar Shah	0.81	0.74

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, 2019

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 2019 the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31st March 2018: ₹ Nil). 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		2018-19	2017-18
Profit for the year	(₹ in Lacs)	25,291.89	15,176.89
Weighted average no. of shares for EPS computation for basic and diluted EPS	(Nos. in lacs)	467.28	467.28
Earnings per share (basic and diluted)	(₹)	54.13	32.48
Nominal value of shares	(₹)	2.00	2.00

32 DERIVATIVE INSTRUMENTS AT YEAR END:

Sr. No.	Particulars	31-03-2019 Amount (₹ In Lacs)	31-03-2019 Foreign Currency (In Lacs)	31-03-2018 Amount (₹ In Lacs)	31-03-2018 Foreign Currency (In Lacs)	Purpose
1	Forward Contracts (USD Purchase)	3,512.35	USD 50.79	325.88	USD 5.00	Hedge of highly probable foreign currency purchase
2	Forward Contracts (USD Purchase)	5,039.65	USD 72.86	-	-	Hedging of buyer's credit in foreign currency
3	Currency and interest rate swap	14,422.22	USD 208.50	-	-	Hedge of highly probable foreign currency commitment

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

33 FINANCIAL INSTRUMENTS, FAIR VALUE MEASUREMENTS, FINANCIAL RISK AND CAPITAL MANAGEMENT

33.1 Category-wise classification of financial instruments:

(₹ in Lacs)

Particulars	Refer Note	As at 31-03-2019			
		Fair Value through Consolidated OCI	Fair Value through Consolidated profit or loss	Amortised cost	Carrying Value
Financial assets					
Investments in quoted mutual funds	4	-	20,313.30	-	20,313.30
Trade receivables	6	-	-	46,207.06	46,207.06
Cash and cash equivalents	7	-	-	14,259.30	14,259.30
Loans	4	-	-	48.43	48.43
Other financial assets	4	-	-	674.23	674.23
Total		-	20,313.30	61,189.02	81,502.32
Financial liabilities					
Borrowings	11	-	-	6,539.66	6,539.66
Trade payables	13	-	-	29,190.48	29,190.48
Derivatives	14	730.80	429.44	-	1,160.24
Other financial liabilities	14	-	-	3,156.55	3,156.55
Total		730.80	429.44	38,886.69	40,046.93

(₹ in Lacs)

Particulars	Refer Note	As at 31-03-2018			
		Fair Value through Consolidated OCI	Fair Value through Consolidated profit or loss	Amortised cost	Carrying Value
Financial assets					
Investments in unquoted Government securities	4	-	-	0.06	0.06
Trade receivables	6	-	-	55,818.63	55,818.63
Cash and cash equivalents	7	-	-	546.80	546.80
Loans	4	-	-	43.61	43.61
Derivatives	4	-	4.51	-	4.51
Other financial assets	4	-	-	584.40	584.40
Total		-	4.51	56,993.50	56,998.01
Financial liabilities					
Borrowings	11	-	-	7,891.38	7,891.38
Trade payables	13	-	-	19,278.97	19,278.97
Other financial liabilities	14	-	-	671.32	671.32
Total		-	-	27,841.67	27,841.67

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 below:

- 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.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

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 or 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 Lacs)

Particulars	As at 31-03-2019			As at 31-03-2018		
	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) (refer note 4)	20,313.30	-	20,313.30	-	325.88	325.88
Financial Liabilities						
Foreign exchange forward contracts USD (measured at FVTPL)- probable foreign currency purchase	-	3,512.35	3,512.35	-	-	-
Foreign exchange forward contracts USD (measured at FVTPL)- foreign currency buyer's credit	-	5,039.65	5,039.65	-	-	-
Foreign exchange USD (measured at FVTPL) - foreign currency and interest rate swap	-	14,422.22	14,422.22	-	-	-

(b) Financial Instruments measured at Amortised Cost

The management assessed that cash and cash equivalents, trade receivables, 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 & short-term deposits that derive directly from its operations.

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.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

The potential economic impact, due to these assumptions, 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. There are no long term borrowing with variable interest rates outstanding as at year end.

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 Lacs)

Currency	Liabilities		Assets	
	As at 31-03-2019	As at 31-03-2018	As at 31-03-2019	As at 31-03-2018
USD	14,016.28	7,281.55	18,511.34	13,102.97
EURO	1,281.67	650.52	1.30	576.44
GBP	-	2.78	-	302.30
AED	0.05	-	-	-
JPY	0.52	-	-	-

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 refer note 32.

The Group is mainly exposed to changes in USD. The below table demonstrates the sensitivity to a 1% increase or decrease in the USD 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 Lacs)

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	31-03-2019	31-03-2018	31-03-2019	31-03-2018
USD Sensitivity				
RUPEES / USD – Increase by 1%	45.06	58.15	45.06	58.15
RUPEES / USD – Decrease by 1%	(45.06)	(58.15)	(45.06)	(58.15)

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, 2019, the carrying value of such instruments recognised at FVTPL amounts to ₹ 20,313.30 Lacs (31st March, 2018 ₹ Nil Lacs). 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.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

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, 2019, sales to a customer approximated ₹ 56,113.84 Lacs (or 20.16 % of net revenue) and during the year ended 31st March 2018, sales to such customer approximated ₹ 13,858.56 Lacs (or 8.09 % of net revenue). Accounts receivable from such customer approximated ₹ 6,048.80 Lacs (or 13.07% of total receivables) at 31st March, 2019 and ₹ 3,828.92 Lacs (or 6.86% of total receivables) at 31st March, 2018. A loss of this customer could adversely affect the operating results or cash flows of the Group.

The Group generally extends a credit period of 0 to 180 days.

The reconciliation of ECL is as follows:

Particulars	(₹ in Lacs)	
	31-03-2019	31-03-2018
Balance at the beginning of the year	213.73	147.57
Add: Allowance for the year based on ECL	71.74	163.48
Less: Utilisation for the year based on ECL	(75.82)	(97.32)
Total provision based on ECL	209.65	213.73
Add: Customer specific provision	-	-
Balance at the end of the year	209.65	213.73

(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 undiscounted payments:

Particulars	(₹ in Lacs)			
	Less than 1 year	1 to 5 years	More than 5 year	Total
Year ended 31st March, 2019				
Interest bearing borrowings	6,539.66	-	-	6,539.66
Trade payables	29,190.48	-	-	29,190.48
Derivatives	429.44	-	730.80	1,160.24
Other financial liabilities	3,156.55	-	-	3,156.55
Year ended 31st March, 2018				
Interest bearing borrowings	7,891.38	-	-	7,891.38
Trade payables	19,278.97	-	-	19,278.97
Other financial liabilities	671.32	-	-	671.32

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.

As at 31st March, 2019, the Group meets its capital requirement through equity and has low debts. Consequent to such capital structure, there are no externally imposed capital requirements.

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.

The management of the Group reviews the capital structure of the Group on regular basis. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2019

36 STATUTORY GROUP INFORMATION

(₹ in Lacs)

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 (Lacs)	As % of consolidated profit / (loss)	INR (Lacs)	As % consolidated other Comprehensive income	INR (Lacs)	As % consolidated other Comprehensive income	INR (Lacs)
Parent Company								
Ratnamani Metals & Tubes Limited								
Balance as at 31 March 2019	99.94%	152,187.32	100.01%	25,293.21	100.00%	(520.68)	100.01%	24,772.53
Balance as at 31 March 2018	99.94%	130,801.71	100.01%	15,178.81	100.00%	21.98	100.01%	15,200.79
Subsidiary Company								
Foreign								
Ratnamani INC USA								
Balance as at 31 March 2019	0.06%	87.77	-0.01%	(1.32)	-	-	-0.01%	(1.32)
Balance as at 31 March 2018	0.06%	82.15	-0.01%	(1.92)	-	-	-0.01%	(1.92)
Total								
Balance as at 31 March 2019	100.00%	152,275.09	100.00%	25,291.89	100.00%	(520.68)	100.00%	24,771.21
Balance as at 31 March 2018	100.00%	130,883.86	100.00%	15,176.89	100.00%	21.98	100.00%	15,198.87

37 EVENTS OCCURRED AFTER THE BALANCE SHEET DATE

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 29th May, 2019, there were no subsequent events to be recognized or reported that are not already previously disclosed.

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 : 29th May, 2019

For KANTILAL PATEL & CO

Chartered Accountants
ICAI Firm Registration No:
104744W

per JINAL A. PATEL

Partner
Membership No. 153599

Place : Ahmedabad

Date : 29th May, 2019

For and on behalf of Ratnamani Metals & Tubes Limited

P. M. SANGHVI

Chairman and
Managing Director
DIN : 00006354

S. M. SANGHVI

Whole Time Director
DIN : 00007955

DR. V. M. AGRAWAL

Director
DIN : 00010558

NIDHI GADHECHA

Director
DIN : 06847953

VIMAL KATTA

Chief Financial Officer

J. M. SANGHVI

Whole Time Director
DIN : 00006178

D. C. ANJARIA

Director
DIN : 00008639

P. M. MEHTA

Director
DIN : 00012410

JIGAR SHAH

Company Secretary



Research, Concept, Content, Design and Development by



marshmallow

A Creative Division of Metieta Advertising Pvt. Ltd.

ping@marshmallow.in



REGISTERED OFFICE

17, Rajmugat Society, Naranpura Char Rasta, Ankur Road, Naranpura, Ahmedabad – 380 013
Website : www.ratnamani.com | CIN : L70109GJ1983PLC006460 | Phone No. : 079-27415501-04
Fax No. : 079-27480999 | E-mail Id : info@ratnamani.com