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

RATNAMANI® METALS & TUBES LTD.

RMTL/SEC/38TH AGM NOTICE-AR 2021-22 July 14, 2022

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

Sub.: Submission of the Annual Report for the FY 2021-22 and the Notice convening 38th Annual General Meeting of the Company.

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report for the FY 2021-22 and the Notice convening 38th AGM of the Company.

Further, in compliance with the relevant circulars issued by Ministry of Corporate Affairs (“MCA”) and the Securities and Exchange Board of India (“SEBI”), the Annual Report for the FY 2021-22 and the Notice convening 38th AGM, is being sent only to the Members of the Company whose email addresses are registered with the Company or Registrar & Transfer Agent or Depository Participants.

The 38th AGM of the Company is scheduled to be held on Tuesday, August 9, 2022, at 10:30 A.M. IST through Video Conferencing / Other Audio Visual Means (“VC/OAVM”) in accordance with the aforesaid circulars.

Further, in terms of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the e-voting facility to its Members holding shares in physical or dematerialised form, as on the cut-off date i.e. Tuesday, August 2, 2022 to cast their votes by electronic means on the resolutions set forth in the Notice of the 38th AGM.

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

Kindly take the above on your record.

Thanking you,

Yours faithfully,
For, RATNAMANI METALS & TUBES LIMITED

Maloo Anil Digitally signed by Maloo Anil
Date: 2022.07.14 11:57:53
+05'30'

ANIL MALOO
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl.: As above

RATNAMANI®
METALS & TUBES LTD.

Emerging **Stronger**

38th ANNUAL REPORT
2021-22

Corporate Information

BOARD OF DIRECTORS

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

KEY MANAGERIAL PERSONNEL

Shri Vimal Katta	*Sr. Vice President (F & A)/C.F.O.*
Shri Anil Maloo	*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 REMUMERATION COMMITTEE

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

RISK MANAGEMENT COMMITTEE

(Re-constituted effective June 2, 2021)

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

BANKERS

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

STATUTORY AUDITORS

M/s. Kantilal Patel & Co., Chartered Accountants

INTERNAL AUDITORS

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

COST AUDITORS

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

SECRETARIAL AUDITORS

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

REGISTERED OFFICE

17, Rajmugat Society, Naranpura Char Rasta,
Ankur Road, Naranpura, Ahmedabad-380013
CIN: L70109GJ1983PLC006460
Phone: +91-79-27415501
Email Id: info@ratnamani.com
Website: www.ratnamani.com

CORPORATE OFFICE

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

WORKS

STAINLESS STEEL SEAMLESS WORKS
Survey No. 423, Ahmedabad-Mehsana Highway,
Village: Indrad, Taluka: Kadi, Dist: Mehsana-382715, Gujarat, India
Phone: 02764-232254/63, 233766

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

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

SALES OFFICE

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

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

RATNAMANI INC
(Wholly-Owned Subsidiary)
5326 Heath River Lane, Sugar Land Texas-77479
Phone : +1 832 871 9244

REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited
(Unit: Ratnamani Metals & Tubes Limited)
5th Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1),
Besides Gala Business Centre,
Nr. St. Xavier's College Corner,
Off C. G. Road, Navrangpura,
Ahmedabad-380009,
Phone: 079-26465179/86/87
Email Id: ahmedabad@linkintime.co.in

For more investor related information please visit
http://www.ratnamani.com/investors_relations.html

Or Simply Scan to view the online version of the report

Investor Information

Market Capitalisation as at March 31, 2022	₹ 12,118.21 Crores (NSE)
CIN	L70109GJ1983PLC006460
BSE Code	520111
NSE SYMBOL	RATNAMANI
Bloomberg Code	RMT:Natl India
Dividend declared	₹ 14 per share (Pre-Bonus) & ₹ 9.33 per share (Post-Bonus)
AGM Date	August 9, 2022 at 10:30 AM
AGM Mode	Video Conferencing ('VC')

DISCLAIMER: This document contains statements about expected future events and financials of Ratnamani Metals & Tubes Ltd. which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Scroll Down For...

Ratnamani has been built on the solid foundation of values and integrity. In its four decades of journey, the Company has provided value to its customers, stakeholders and the nation, meeting their needs with its diverse product portfolio. The Company has successfully executed its strategic action priorities and enhanced its capacities to meet the

Emerging **Stronger**

increasing customer demand from within India and around the world. Ratnamani is now emerging stronger, with its clear vision of growth, and it will be utilising its newer capacities, reaching out to newer customers, newer geographies, exploring larger opportunities and initiating further capacity additions.

Key Performance
Indicators of 2021-22

FINANCIAL OUTCOME

₹ **3,176.32** Crores
Revenue

₹ **532.26** Crores
EBITDA#

₹ **322.39** Crores
PAT#

₹ **68.99**
EPS#

OPERATIONAL OUTCOME

₹ **2,159.63** Crores
Order Book as on March 31, 2022

35+
Countries of Operation

- Completed and commercialised all new expansions (ERW, LSAW and SS hot extrusion)
- Received high-value orders from some of the large players in the Oil & Gas segment
- Executed larger order in the Port segment
- Executed projects under 'Har Ghar Nal Se Jal'
- Exploring larger opportunities across segments like Fertilisers, Nuclear, Oil Tubing and aerospace, among others
- Undertaking further capex for both SS and CS division owing to strong export demand

ESG OUTCOME

Environment

3.38%
Reduction in Energy Consumption

32,916 Metric Ton
Reduction in Carbon Emission

₹ **60** Crores
Investment in Renewable Energy

1,031
Trees Planted During the Year

Social

2,372
Employee

7.45
Training Hour Per Employee

4,525
Lives Impacted through CSR

Governance

4
Independent Directors

1
Woman Director

1
Community Hall dedicated to Gandhi Ashram Jilla Trust, Indrad

1
Animal Ambulance Van dedicated to Jivdaya Charitable Trust, Ahmedabad

Standalone figures

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

Ratnamani is a world-class manufacturer of steel pipes & tubes products, based in India, delivering solutions globally.

Established in 1983, Ratnamani Metals and Tubes Limited ('Ratnamani' or 'RMTL' or 'we' or 'the Company') is one of the leading manufacturers of critical piping and tubing products for customers in the Oil and Gas, Petrochemical & Refinery, Fertiliser & Chemical, Power, Water, Infrastructure and other critical high-growth industries.

The Company has diverse product portfolio which includes Nickel Alloy/Stainless Steel Seamless Tubes & Pipes, Stainless Steel Welded Tubes & Pipes, Titanium Welded Tubes, Carbon Steel Welded Pipes, Stainless Steel/Carbon Steel Pipes with Coating and Induction Bends.

Headquartered in Ahmedabad with state-of-the-art manufacturing facilities at Chhatral & Indrad (near Ahmedabad) and Bhimasar (near Gandhidham, Kutch), the Company caters to customers in domestic as well as overseas markets across Asia-Pacific, Europe, Middle East and America. Ratnamani strives to achieve global excellence in value-driven product offerings and services which continue to not only meet, but exceed customers' expectations.

Ratnamani has an impressive clientele comprising of major public, private and joint sector companies across the globe, which are leaders in their respective segments. The tubes and pipes are supplied in accordance with the appropriate international standards as well as customer specifications in large variety of grades and dimensions.

Ratnamani ensures high degree of flexibility in production planning to meet customer's urgent deliver requirements.The Company's unflinching commitment to quality and services ensured client loyalty.

INDUSTRIES WE SERVE

- Oil & Gas
- Fertilisers
- Automobiles
- Infrastructure
- Refineries
- Water Distribution
- Defence
- Marine
- Thermal Power
- Sugar
- Aeronautics
- Cross Country Pipeline for Gas & Water
- Nuclear Power
- Food & Dairy
- Space Applications
- Chemicals
- Paper
- Ship Building
- CNG
- Petrochemicals
- Pharmaceutical
- Pumping Station

Emerging stronger
through Enhanced Offerings

OUR BROAD PRODUCT PORTFOLIO IS CONSTANTLY GROWING, ALLOWING US TO REACH OUT TO NEW CUSTOMERS, EXPAND INTO NEW GEOGRAPHIES, AND SEIZE BIGGER OPPORTUNITIES.

Stainless Steel Division

Products

HEAT EXCHANGER STRAIGHT & U-TUBES

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

INSTRUMENTATION TUBES

- Stainless Steel/Nickel Alloy Seamless Tubes

STAINLESS STEEL PIPES

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

SPECIALITY

- Wide Product Range
- Rich Experience of Serving Various Sectors
- NABL Accredited Laboratory
- Good Technical Expertise

END-USER INDUSTRIES

- Oil & Gas Exploration
- Refineries & Petrochemicals
- LNG
- Pharmaceutical
- Food and Dairy
- Chemicals & Fertilisers
- Pulp & Paper
- De-salination
- Nuclear, Thermal & Solar
- Power Plants
- Defence
- Atomic Energy
- Automobile
- Aerospace
- Sugar and Paper Industries
- Marine
- Cross Country Pipe Line for Oil and Gas
- CNG + Booster Compresures and Dispensers
- Water Distribution Pipe Lines

Carbon Steel Division

Products

HIGH FREQUENCY ELECTRIC RESISTANCE WELDED (HF-ERW) PIPES

END-USER INDUSTRY

- Oil & Gas Pipelines
- City Gas Distribution
- Structural Pipe Systems
- Water Supply
- Plumbing and Heating
- General Purpose Applications

SUBMERGED ARC WELDED (SAW) PIPES: H-SAW, L-SAW & C-SAW AND MOBILE PLANT

END-USER INDUSTRY

- Oil & Gas Pipelines
- Power Plant
- Water & Sewerage
- Structural Pipes
- Fertilizer Plant Pipes
- Dredging Pipes
- High Mast Pipes for Wind Mill Towers
- Mining Pipes
- Air Duct Pipes

PIPE COATING SOLUTIONS

External

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

Internal

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

END-USER INDUSTRY

- Oil & Gas Pipelines
- Water Pipelines
- Effluent Lines

INDUCTION BENDS

END-USER INDUSTRY

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

The Value Creation Model

OUR PURPOSE IS TO PROVIDE WORLD-CLASS TUBING AND PIPING SOLUTIONS THAT ARE CREATED WITH PASSION. THROUGH OUR BUSINESS MODEL, WE ARE CONSISTENTLY DELIVERING VALUE TO OUR STAKEHOLDERS AND CONTRIBUTING TO SOCIAL AND ECONOMIC DEVELOPMENT WITHIN OUR MARKETS.

What we do

Our Vision

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

Our Mission

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

Our Values

Customers Focus

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

Passion

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

Innovation

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

Respect

Recognising and appreciating people for their character, knowledge, intellect, abilities and values.

Honouring them with our complete attention when they communicate and share their points of view with mutual respect. Work with sustainability of inter dependence.

Our 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.

How we do it

We leverage our strengths and resources through

Financial Capital

Our investment funding largely comes through equity. These funds are used for both operational and capital expenditures.

Equity Capital: ₹ **9.34** Crores

Shareholder's Fund: ₹ **2,246.93** Crores

Manufacturing Capital

Our significant investment towards facilities and equipment used in production of Steel Tubes and Pipes.

Intellectual Capital

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

Human Capital

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

Social and Relationship Capital

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

Values-created

Financial Strength
- 16.76% Operating Profit Margin
- 14.35% Return on Equity
- 18.56% Return on Capital Employed
- ₹ 14 Dividend Per Share (Pre-Bonus) and ₹ 9.33 Dividend Per Share (Post-Bonus)

Market Leadership
- One of the largest manufacturers of Stainless Steel Seamless and Welded Pipes & Tubes
- One of the leading manufacturers of Nickel Alloy Pipes & Tubes and Titanium Welded Tubes
- Among the major manufacturers of Carbon Steel Welded Pipes (ERW, C-Saw, L-Saw and H-Saw)
- Serving over 22 industries across 35+ countries

Community Well-being
- 13 Sanitary complexes built
- 907 Students benefitted through Ratnamani Education Campus
- 4 Female beneficiaries of our vocational training module
- ₹ 7.60 Crores committed on community uplifting initiatives (CSR)

Employee Well-being
- 12,519 hours training
- High retention rate
- 9.3 years, average employee tenure

Environmental stewardship
1,031 trees planted

...for our stakeholders

Investors
Customers
Government
Regulatory Bodies
Employees
Communities

SDGs impacted

4 QUALITY EDUCATION
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
13 CLIMATE ACTION
15 LIFE ON LAND
17 PARTNERSHIPS FOR THE GOALS

Showcasing Our Success

1985
- Commenced production of Stainless Steel Welded Pipes & Seamless Tubes, as a twin small-scale unit

1991
- Established facilities for manufacturing Stainless Steel Electric Fusion Welded [EFW] Pipes

1993
- Listed on Bombay Stock Exchange (BSE) & Ahmedabad Stock Exchange (ASE)

1995
- Commenced production of Submerged Arc Welded [SAW] Pipes

2008
- Received Vendor Approval from Saudi Aramco and SABIC for Stainless Steel Seamless Tubes

2013
- Enhanced Stainless Steel Cold Finishing capacity at Indrad facility
- Received vendor approval from Saudi Aramco for Stainless Steel Seamless and Welded Pipes, Titanium Welded Tubes

2014
- Developed facility to manufacture 8NPS and 10NPS diameter pipes in LSAW
- Received first order from LNG sector for supply of Stainless Steel Seamless Pipes with coating
- Successfully executed order for prestigious project of ITER

2015
- Upgraded LSAW Pipes manufacturing facility up-to 32 mm thickness (earlier capacity was 25 mm thickness)

2017
- Received highest order bookings in the Company's history for Stainless Steel division, LSAW division, HSAW division

1997

- Received API 5L Monogramming License

1999

- Commenced production of Stainless Steel Tubes for Automobile Exhaust Systems

2000

- Installed first mobile plant, for Narmada Canal Pipe Line Project under Government of Gujarat

2001

- Achieved Quality Management System accredited to ISO 9002 under Lloyd's Register Quality Assurance (LRQA)

2002

- Received recognition as well-known Tube/Pipe Maker under IBR

2003

- Received Pressure Equipment Directive [PED] certification
- Received approval from Nuclear Power Corporation of India Limited for the supply of Critical Instrumentation Seamless Tubes for Primary Piping of Nuclear Reactors
- Upgradation of ISO 9002 Quality System to ISO 9001:2000

2004

- Implemented Environment, Health & Safety Policy [EHS] policy throughout the organisation
- Enhancement of current capacity by establishing new manufacturing facilities – New Unit at Kutch, Gujarat

2005

- Commenced manufacturing of Welded Cold Drawn Duplex Steel Tubes as per SA 789/UNS 31803 and UNS 32205

2018

- Work started on setting up a hot extrusion facility of 20,000 tonnes for large diameter seamless stainless steel pipes and matching cold finishing capacity.
- RMTL announced expansion of its LSAW capacity from 40ktpa to 120ktpa led by strong demand and guided towards commissioning of new SS capacity

2021

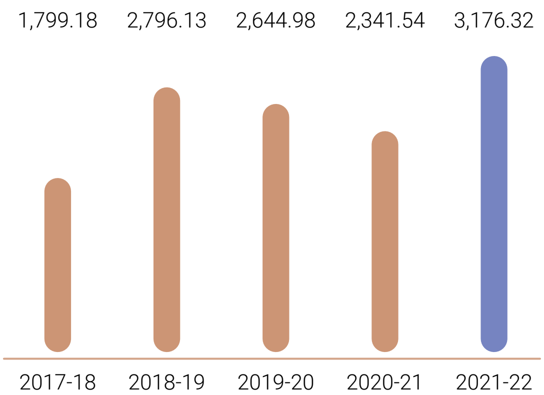
- Installed & commissioned state-of-the-art Hot Extrusion press of 4,500 MT force to produce stainless steel/Nickle Alloys seamless pipes up to 10-inch diameter
- Installed & commissioned state-of-the-art L-SAW Plant to produce Line Pipe . Additional finishing line added for Carbon steel ERW pipes

2022

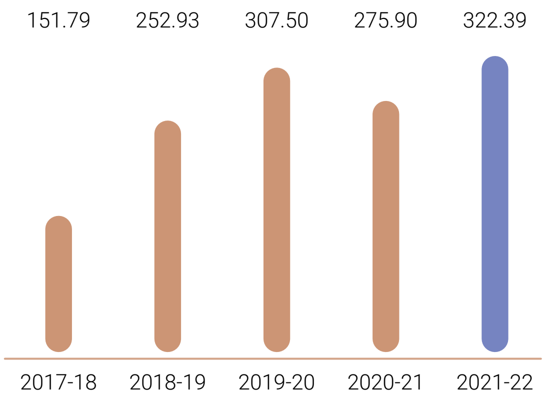
- Achieved highest order bookings ever in Stainless Steel division
- Achieved new milestone for CS Piping division in terms of order book
- Booked the single largest order of Oil & Gas in the history of Ratnamani from a domestic pipe line project
- Received approval for the new LSAW facility for manufacturing API X-70 Grade Line Pipes
- Received approval of Hot Induction Bends from ONGC, opening a new market segment
- Received international approvals from NEOM, Saudi Arabia & National Gas Company, Trinidad and Tobago for Ratnamani Kutch Carbon Steel facility
- Received KIWA certification virtual audit successfully.
- Awarded a contract for a project in Africa

Emerging Stronger
with Our Financial Capabilities

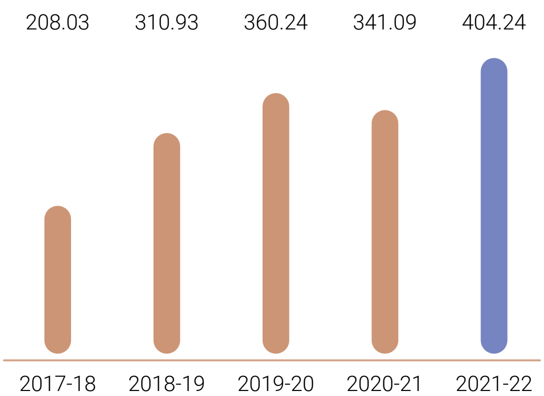
Revenue (₹ in Crores)



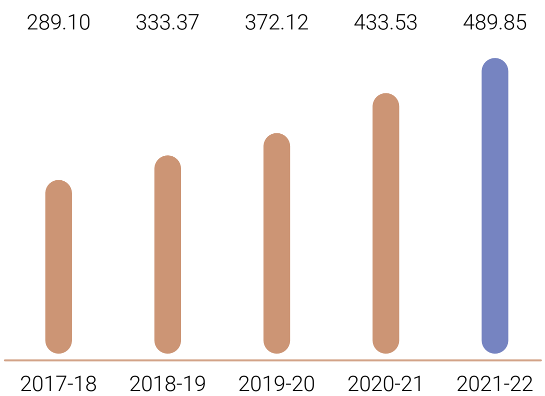
PAT* (₹ in Crores)



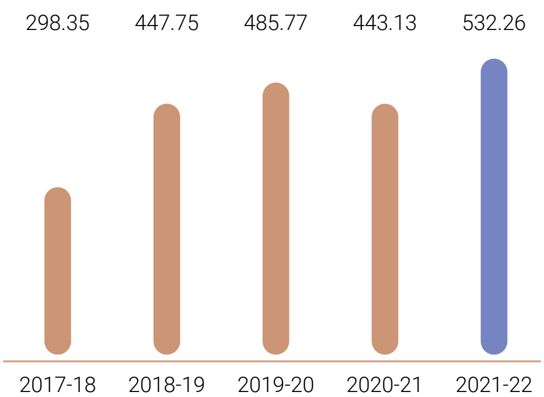
Cash Generated from Operations (₹ in Crores)



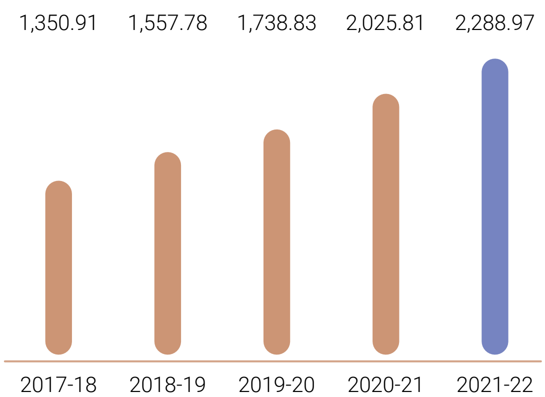
Book Value per Share (₹ in Crores)



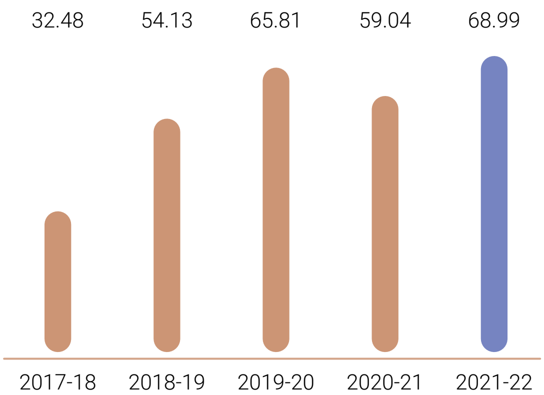
EBITDA* (₹ in Crores)



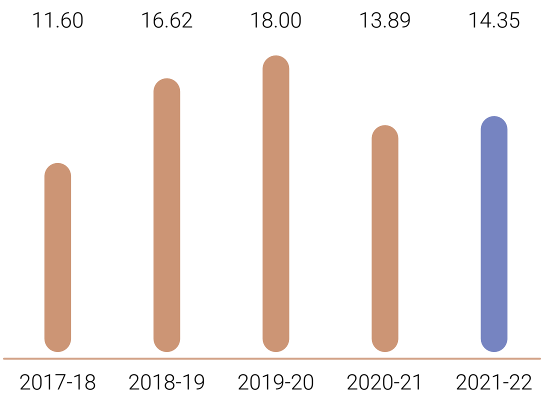
Net Worth (₹ in Crores)



Earnings Per Share (₹)



Return on Equity (%)



*EBITDA: Earnings before interest, tax, depreciation, and amortisation less other non-operating income.
*PAT: Profit after tax. RoE: Return on Equity. *All the figures are on standalone basis.

From the CMD's Desk

Our strategic initiatives like profitable product mix, prudent procurement decision, cost efficiency measures, among others, etc. led to better operational outcomes and lower than expected impact on margins notwithstanding these unfavorable external factors.

Dear Shareholders,

I am pleased once again to share my thoughts on your Company's performance for 2021-22. The year was marked by successive Covid-19 waves, alongside continued supply chain disruptions and inflationary pressures. However, mass vaccination drives, eased out restrictions and revival in demand, led to faster than expected recovery of the economy. You will be happy to know that your Company's sustained efforts towards enhancing capacities and constantly exploring new business opportunities delivered extremely satisfying outcomes, keeping us ahead of the curve.

Record breaking performance!

During 2021-22, your Company recorded highest-ever revenues and profits in its history of 38 years. Revenues from operations at ₹ 3,176.32 Crores showed a growth of 35.65% over the previous year. EBITDA and PAT at ₹ 532.26 Crores and ₹ 322.39 Crores, grew by 20.11% and 16.85%, respectively. There was a slight contraction in margins owing mainly to the product mix. Operationally, we successfully commissioned newer capacities, received several high-value orders, explored newer segments and achieved higher capacity utilisation. The year witnessed multiple headwinds like volatility in commodity prices, pandemic-related restrictions and geopolitical crisis, leading to supply chain challenges. Our strategic initiatives like profitable product mix, prudent procurement decisions, cost efficiency measures, among others led do better operational outcomes and lower than expected impact on margins notwithstanding these unfavorable external factors. On the demand side, we continued to witness strong growth in our order book with demand from both India and overseas.

High growth environment

The country is making healthy strides on the path of economic development with strong emphasis on infrastructural development. Besides, several initiatives like 'Har Ghar Nal Se Jal', river interlinking, brownfield and greenfield expansion of refineries as well as CGD expansion across the country, will continue to benefit the Company over the medium to long-term. Your Company shall be consolidating its already expanded capacities and by exploring opportunities across several new segments and penetration to newer geographies.

Strategic priorities

- **Maximum utilisation of installed capacity, tapping new opportunities and geographically expanding to new areas**
- **Focus on contributing towards the vision of the Government of developing City Gas Distribution (CGD) network across India and initiative towards 'Har Ghar Nal se Jal'**
- **Expand international market presence by strategically capturing newer segments**
- **Drive incremental volume from the new capacities**
- **Optimise cost and drive efficiencies**

Our culture of inclusion

The Company is committed towards attracting and retaining best talents. This has led us towards excellence and newer achievements. We value opinions and respect team's dedication towards building a more inclusive workplace. We continue to recognise and reward excellent performance while also supporting our employees' physical, emotional, and financial well-being.

Towards the community

We believe growth is meaningless if any segment of our community is left out of the development process. Our CSR initiatives aims at developing and supporting the communities and impacting larger beneficiaries in the process. In addition, we also believe in achieving a balance between environmental sustainability and socio-economic development. Our constant endeavours towards environment and strong government practices allows us to maintain a healthy ESG quotient within the organisation.

Note of thanks

I would like to congratulate and thank our wonderful talent pool for its spirited performance. Your relentless faith, support and inspiration have gone a long way in helping us create a value creating organisation. I am also grateful to all the stakeholders, customers, shareholders, partners, Governments and regulators and the community at large, for their unstinted support and patronage to the unfolding of Ratnamani's potential. Let us all step into a future of infinite possibilities.

Best Wishes,

PRAKASH M. SANGHVI
Chairman & Managing Director

A Global Presence

Strengthening Our Brand

RATNAMANI HAS PRESENCE IN OVER 35 NATIONS IN ASIA-PACIFIC, EUROPE, THE MIDDLE EAST, AND AMERICA.

The Company has a wide presence across countries, and possesses a clear business understanding of countries across USA, UK, France, Germany, Italy, Netherlands, Japan, South Korea, Middle East, and other countries. Our global presence helps our workforce gain finer insight of market behaviour of each country. Thus, helping us recognise our clients' requirement better.

Locations around the Globe

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

Manufacturing facilities

CHHATRAL & INDRAD, AHMEDABAD

BHIMASAR GANDHIDHAM, KUTCH

Headquarter

AHMEDABAD, GUJARAT, INDIA

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

Emerging Stronger
by Prioritising Environment, Social and Governance (ESG) Initiatives

AT RATNAMANI, ENVIRONMENTAL STEWARDSHIP IS OF PARAMOUNT IMPORTANCE TO US AND WE BELIEVE SUSTAINABILITY ENSURES A NOBLE FUTURE. WITH THESE THOUGHTS, WE TAKE ACTIONS TOWARDS SAVING ENVIRONMENT, FOCUSING ON SOCIETY AT LARGE, AND PROMOTING AN OPEN AND TRANSPARENT CULTURE.

Environment

As a Company, we promote comprehensive environmental management while reacting to a wide range of environmental challenges.

Social

Ratnamani is a responsible organisation that strives to make meaningful and enduring contributions to society. The Company is committed to attract best talent by focusing on education and future of work to drive inclusion in the industry. We also emphasise volunteering in order to involve people in using their knowledge to help communities. This fosters a corporate culture at Ratnamani and enhances our social standing.

Governance

Our Board of Directors is dedicated to strong and effective corporate governance processes, as well as our efforts to change the company's culture. To establish a more consistent culture, we are dedicated to doing what's right, operating with integrity, and holding ourselves accountable. We are also driven by nurturing an open and transparent culture at the core.

Emerging tronger

Through Commitments Towards Sustainability

RATNAMANI IS ACTIVELY FOLLOWING A MULTIDIRECTIONAL APPROACH TOWARDS PRESERVING ENVIRONMENT. AS A RESPONSIBLE COMPANY, WE ARE INTEGRATING SUSTAINABILITY INTO OUR ORGANISATIONAL CULTURE AND TAKING PROACTIVE STEPS TO APPROPRIATELY MANAGE RESOURCES AND REDUCE ANY NEGATIVE BUSINESS IMPACT ON THE ENVIRONMENT.

Energy management

Energy management is the prime focus for Ratnamani. Our manufacturing facilities are heavily influenced by energy usage. We utilised energy-saving appliances and installed AC VFD drives to manage the variable speed of the air conditioner motors. The Company replaced obsolete motors with energy efficient motors (IE3) and replaced the lamps with LED lights. We have also reduced the running hours of chiller compressor by setting temperature parameters.

Using renewable source of energy

The Company has taken steps towards renewable energy across manufacturing facilities. The Company has installed 18 wind mills with total capacity of 27 MW in various places throughout Gujarat (i.e., Lamba, Suthri, Vanku, Samakhiali & Patelka). The Company meets approximately 30% of the operational electricity power requirements from renewable energy.

Waste management

The Company is taking proactive measures to reduce waste generated at the business' manufacturing facilities while keeping focus on sustainable business operations. We ensure that the trash generated by our operations is responsibly managed and disposed of, taking into account all regulatory requirements. Our operational efficiency enables us to conserve resources and reuses waste. The Company reuses waste water after appropriate treatment in the manufacturing facility.

Natural Disaster scheme

The Company follows natural disaster scheme which helps us to ensure having no direct impact on the business operations. We construct structure vibration-proof, and also inspect all building structures by a competent agency every five year that all facilities and office layout have proper rainwater drainage system.

There are two types of major natural disaster-prone area at our manufacturing facility and offices:

- Earthquake
- Cyclone

Steps towards reducing carbon footprint

- The Company is using battery operated cars and using bicycles for internal transportation at manufacturing facilities.
- The Company follows 3R rules (Reduce, Reuse and Recycle) in manufacturing activity process.
- The Company has planted trees at the business' manufacturing facilities. 33-40% open space area is covered with green belt area.

Emerging Stronger

Contributing Towards Community

OUR SOLE PURPOSE IS TO UNLEASH THE POWER TO BETTER THE LIVES FOR EVERYONE NOW AND IN THE FUTURE. THIS MISSION MOTIVATES US TO MAKE A POSITIVE DIFFERENCE IN THE PEOPLE AROUND US. WE ARE ALWAYS REFINING OUR STRATEGIES BY ALIGNING AND RE-EVALUATING ACTIVITIES IN ORDER TO MEET EXPECTATIONS OF THE COMMUNITY.

People

People are the greatest asset for Ratnamani who enabled the Company to become a world-class Steel Tubes and Pipes manufacturer.

The Company identifies best talents considering all aspects of competency, skill, education & experience. All the worker & staff development and technical programmes are periodically set for the employees to enhance their skill & knowledge with latest technology and developments.

The workplace environment attracts, develops, motivates and retains employees, emphasising performance and productivity.

The Company organises annual medical check-up camp for all employees. These camps and sessions, for creating awareness about keeping good health, are organised and conducted from time-to-time.

Employee Satisfaction Index (ESI)

Employee stability is extremely high in the organisation, while employee turnover is quite low in comparison to the industry. This demonstrates our commitment to employee satisfaction. We created a real-time ESG assessment system, with employees giving the organisation an average rating of 8.02 out of 10.

Community

Ratnamani, as a responsible corporate citizen, is committed to upholding the social norms of the communities in which we operate. We are committed to reaching out and assisting communities in enhancing their quality of life and social well-being. Even before the CSR mandate was imposed, our social projects were selected based on their issues and were primarily focused on education, rural development, health, environmental sustainability, and women empowerment.

The Company's CSR department works toward a broad goal of developing and supporting relevant initiatives that can better address and impact the community.

Education

Education is a herald of light that empowers people by providing growth opportunities in life.

One of our main thrust areas, and particularly in rural areas, is education. Auditoriums have been built in schools in the villages of Indrad, Mehsana, and Kutchh. These auditoriums have been designed with cutting-edge technology, including audio-visual capabilities keeping in mind the Indian Government's new education policy, which places a greater emphasis on 'Skill India.'

With more focus on practical learning i.e., application of the theory studied in class rooms, the auditorium would be used more particularly for display and presentation of Students' Projects in Science, Environment, Health & Hygiene, Personality Development besides regular Cultural activities, and more.

Health and Sanitation

Health, survival, growth, and development all depend on safe drinking water, sanitation, and excellent hygiene. However, these basic necessities are still a luxury for many of the world's poorest. Ratnamani uses concerted attempts to bridge the gap between the two.

During the year, the Company have added individual household toilets at village Vadnagara under the flagship programme of Government of India 'Clean India and Green India'.

Saving Environment, Saving Community

During the year, the Company has added a few trees on road side. Our plantations of earlier years, have grown more than 30 feet and they are huge beneficial to the people of the villages, which has very hot climatic condition with very little rainfall of average 7 inches a year.

Ratnamani have also distributed 13,500 Sparrow under the banner of 'Save the Sparrow'. It is heartening to note that besides Sparrows, other societal birds have also started using it as these birds too are not getting the nesting places and materials to weave the nest.

We did a Pond Deepening project at village Kakanu Tarapur, near Chhatral with forest department and planted 2,850 native trees with Miyawaki Japanese forest technique. Within two years, around 2,800 trees have successfully gained the height of 20 feet plus. The place has also become a Biodiversity Park with birds – with roosting and nesting place, butterflies, moths and many species water lives. In the high temperature of summers, the pond has more than two feet water level.

Emerging Stronger
Through Right Governance

THE BOARD REMAINS FOCUSED ON CONTINUAL ENHANCEMENT OF ITS COMPOSITION, OVERSIGHT, AND GOVERNANCE PRACTICES, AND THROUGH ITS STRATEGIC SUCCESSION PLANNING IT ENABLES TO CONTINUE TO OVERSEE THE COMPANY AND ITS BUSINESS EFFECTIVELY.

Shri Prakash M. Sanghvi

Promoter, Chairman and Managing Director

- He has over 46 years of experience in the Metal and Overall Corporate Management Covering Corporate Strategy, Developments to Functional Management.
- With his unmatched leadership and strong business acumen, the Company has achieved new milestones year-after-year on a consistent basis and expanded its presence and built stakeholder's value.

Shri Jayanti M. Sanghvi

Promoter and Joint Managing Director

- He has over 43 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

Promotor and Whole-time Director

- He has over 41 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

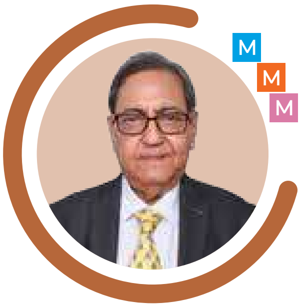
Independent Non-Executive Director

- He has vast experience in Engineering industry, having spent his entire career in the leading engineering corporate namely Larsen & Toubro Limited.
- He was an Executive Director on the Board of Larsen & Toubro Limited and was in charge of nine different business units located all over the Country.
- He is extensively experienced in the area of Engineering, Technologies, and International Businesses

Shri Divyabhash C. Anjaria

Independent Non-Executive Director

- He has rich experience in the field of International Finance and Financial Markets.
- He is MBA from IIM Ahmedabad and has worked with City Bank N.A. and UTI.



Dr. Vinodkumar M. Agarwal

Independent Non-Executive Director

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

Smt. Nidhi G. Gadhecha

Independent Non-Executive Director

- She is a Chartered Accountant
- She possesses expertise in functional areas of Corporate Finance, Taxation and other related matters.

Committee Details

Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee	C - Chairman M - Member

Management Discussion & Analysis

Economic Overview

The Global Economy

People are the greatest asset for Ratnamani who made us the world-class steel tubes and pipes manufacturer.

The world economy began returning to normalcy from early 2021, after a prolonged battle with the Covid-19 pandemic and related concerns. Global GDP grew by 6.1% in 2021 as compared to 3.4% in 2020. Improved vaccination rates, strong Governmental support, and increased demand owing to the ease in pandemic-related restrictions aided the economies gaining momentum.

The second half of the financial year 2022, however, marked a setback in the recovery process in the global economy. This period was backed by rising inflationary pressures, rising commodity prices, supply chain disruptions, and a surge in fuel prices.

Global inflation is anticipated to rise considerably in CY 2022 owing to the rising commodity prices and spreading pricing pressures. These records highest ever since past four decades. Inflation in advanced nations is expected to be 5.7% in CY 2022, while it will be 8.7% in emerging market and developing economies.

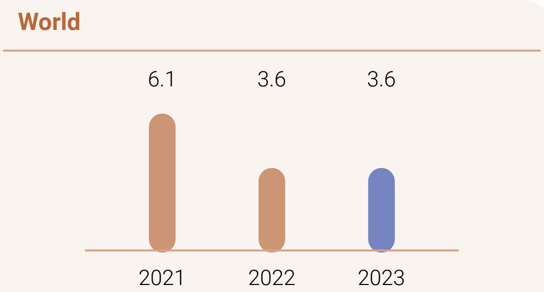
(Source: IMF, World Economic Outlook, April 2022).

Global Growth Outlook

The global economy emerged from the Covid-19 recession following increased public debt, central banks raising interest rates, and an increase in the cost of repaying sovereign debt. This, however, created difficulties for emerging economies, whose debt is based on the US dollar, which has been appreciating.

A continuing geopolitical turmoil and rising interest rates are likely to de-track the growth roadmap. The pandemic is still creating supply chain disruptions in key economies like China, and anymore pandemic waves could hinder the economic progress. Global growth, as a result of above-mentioned factors, is anticipated to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023.

(Source: IMF, World Economic Outlook, April 2022)



Real GDP Growth (percent change)

(Source: IMF, World Economic Outlook, April 2022)

The Indian Economy

India managed to contain the impact of the pandemic's third wave, owing to a swift vaccination programme roll-out and Government policies, moving towards further economic recovery. The uptick in a variety of metrics, such as the mobility index, direct tax revenues, and power demand, among others, indicates continuity of economic expansion.

Although private spending remained below pre-pandemic levels, the economy continued to recover. The economy witnessed increased mobility, improved consumer confidence, and high-capacity industrial utilisation. The Government's increased capital spending plans and investments in infrastructure and manufacturing, are expected to lower the unemployment rate, previously at 8.1% in February 2022.

Indian Economic Outlook

India is presently the fastest-growing major economies marking GDP growth at 8.7% in 2022. However, recent geopolitical developments have hampered domestic stock indexes and caused crude oil prices and exchange currencies volatility. Given India's reliance on imported crude oil, natural gas, and other commodities, monitoring inflation and widening current account deficit is crucial – especially in light of the country's changing geopolitical environment. Uncertainty over the fourth wave and virus mutations remain a huge risk to India's future economic growth. The GoI anticipates the Indian economy to maintain its strong growth trajectory and expects it to grow to 7%, irrespective of uncertainties.

Real GDP Growth, percentage change

2021	2022	2023P
8.9%	8.7%	7%

P: Projected

(Source: IMF, World Economic Outlook Report, April 2022).

Key Financial Ratios for 2021-22 as Compared to 2020-21

Particulars	2021-22	2020-21	Change %
Profitability Ratios (%)			
Operating Profit Margin	16.76	18.92	(11.42)
Net Profit Margin	10.27	12.01	(14.44)
Return on Net Worth	14.35	13.89	3.31
Working Capital Ratios (times)			
Debtors Turnover	1.56	1.49	5.19
Inventory Turnover	3.81	3.29	15.64
Gearing Ratios			
Interest Coverage	21.17	16.87	25.48*
Debt-to-Equity	0.07	0.10	(33.52)**
Liquidity Ratio			
Current Ratio	3.47	3.87	10.42

* Improvement in EBIDTA and payment of installments relating to long-term borrowings

** Increase in shareholders' equity because of retained profit and payment of installments relating to long-term borrowings

Industry Overview

The global Stainless Steel market was valued at US$ 104.23 Billion in 2021, with a CAGR of 8.9%, projected from 2022 to 2030.

(Source: Stainless Steel Market Size & Share Report, 2022 - 2030 (grandviewresearch.com)

The consumption of stainless steel is expected to boost due to infrastructure and residential development by corporate and public expenditures. The stainless steel is used in various industries, including Construction, Infrastructure, Railways, Automotive & Transportation, and Processing segments. Stainless steel offers a distinct advantage over carbon steel in terms of pliability, strength, corrosion resistance, aesthetic characteristics, minimal maintenance costs, and average product life cycle. These characteristics, together with rising penetration in a variety of applications, are expected to propel the market forward.

Steel Pipes and Tubes Industry

Steel pipes and tubes are among the most important aspects for a country's infrastructure development. This industry is crucial to the nation's growth, from extending pipelines for Oil & Gas, and river linking to delivering drinking water to every family. The global Steel Pipes market size was US$ 841 Billion in 2020, and is further anticipated to grow to nearly US$ 1,010 Billion by 2026 at a CAGR of 3.1% *(Source: https://www.expertmarketresearch.com/reports/steel-market)*. Higher demand in various sectors due to increased economic activities and consumer confidence led to the growth in Steel Pipes market.

A. Stainless Steel, Nickel Alloy & Titanium Division

This division manufactures seamless and welded pipes, heat exchanger tubes, instrumentation tubes, welded titanium tubes, and exotic alloy seamless tubes (Incoloy, Inconel and Monel). 2021-22 marked a historic year for the Company, as commercial production started in the Company's new Hot Extrusion Press. This will expand the Company's production capacities, by including, seamless stainless steel, nickel alloys, and inconel products up to 10-inch Nominal Pipe Size (NPS).

The shortage in raw materials and surge in Covid-19 cases in China, aggravated the pandemic-led challenges. Despite all these challenges, the division achieved its best turnover performance.

The considerable volatility in global commodities prices led to the difficulty in finding the required raw material for the division dealing with different grades of Stainless Steel, Nickel Alloys, Titanium, and other metals. However, the Company remains optimistic, regarding the business' order booking and sales growth, owing to various industrial opportunities ahead, in line with Ratnamani's product line.

a) Oil & Gas, Petrochemicals and Refineries Sector

The Oil & Gas/Refining sector witnessed a significant increase in both domestic and international investments. In terms of the domestic market, HPCL Rajasthan Refinery Limited (HRRL) project has started The Stainless Steel Tubes & Pipes division and has bagged a number of orders from various EPCs. Apart from HRRL, the on-going expansion of various PSU refineries promise higher growth prospects in the Oil & Gas segment.

b) Power: Thermal and Nuclear Sector

The global warming concerns is leading to a decline in demand for thermal power plants domestically and internationally. However, the Company is expecting 10%-15% exposure for seamless tubing business and 30%-40% exposure for welded tubing business in thermal power plants. Going ahead, the Company will book orders with these capacities from domestic and global customers.

In terms of domestic opportunities, the Nuclear Power Corporation of India (NPCIL) supplies robust demand for indigenous nuclear power plants.

The global Nuclear Power market is anticipated to witness a CAGR of 1.5% during 2022-27, due to an increase in the installed capacity from 388.7 GW in 2020 to 426.27 GW by 2027. *(Source: https://www.mordorintelligence.com/industry-reports/nuclear-power-market#:~:text=The%20global%20nuclear%20power%20market,from%20388.7%20GW%20in%202020)*

The Company will have good opportunities way forward.

c) Fertiliser Plants

The Fertiliser industry in the country is crucial as it produces some of the essential raw materials needed for crop production. In order to ensure a reasonable return on investment and to promote healthy development and growth in the Fertiliser industry, GOI injected US$ 19 Billion fertiliser subsidy in the Union Budget 2022. This will further compensate fertiliser companies who sell their products to farmers at a price lower than market. *(Source:www.equitymaster.com/detail.asp?date=01/21/2022&story=6&title=Indias-Agriculture-Focus-The-Top-Fertilizer-Companies-in-India-to-Watch-Out-Forwww.equitymaster.com/detail.asp?date=01/21/2022&story=6&title=Indias-Agriculture-Focus-The-Top-Fertilizer-Companies-in-India-to-Watch-Out-For)*.

With clearance to sell Urea Grade Tubes, the Company joined an elite group of few selected suppliers who could expect business from fertiliser facilities across the world.

d) Aerospace and Defence

The past two years have been highly challenging for Aerospace and Defence sector owing to the pandemic. The industry regained its potential as the economy revived. The GOI is also increasing its pocket size for India's Atomic Energy sector.

With the new licencing, the Company expects to gain good business in the Aerospace industry over the next few months. The Company has been regularly supplying for defence applications and the opportunities in the Aerospace and Defence sector is expected to be good in future.

B. Carbon Steel Division

This division of Ratnamani constitutes of High Frequency–Electric Resistance Welded (HF-ERW) and Submerged Arc Welded (L-SAW, H-SAW & Circ. Seam-SAW) pipes. During the year, the Company achieved a new milestone for its CS line pipes division by booking large volume orders from a PSU Refinery. With our new LSAW plant becoming operational in Kutch, Gujarat, the Company is on track to achieve new milestones in the Carbon Steel's Division's sequential growth path.

The Water and Oil & Gas segment performed well during the year, giving way to ample opportunity for robust order books. The Oil & Gas segment contributes significant revenue share. The market share varies from every year as supplies are governed by specific projects executed in a particular year. India's oil refining capacity stood at 249 Million metric tonnes per annum (MMTPA) and is expected to reach 298 MMTPA by 2025 owing to the public sector and Oil Marketing Companies (OMCs) investment plan of ₹ 2 Lakhs Crores on expanding India's oil refining capacity by around 20% by 2025. *(Source: psuwatch.com/india-refining-capacity-omcs-to-invest-rs-2-lakh-crore-by-2025-on-expansion)* Additionally, the Indian Government approved oil and gas projects worth ₹1 Lakhs Crores (US$ 13.46 Billion) in north-east India. These projects are expected to be completed by 2025, building higher growth prospects for the Company to make use in its way forward.

a) Oil and Gas Transmission Lines

India's economic growth is strongly linked to its energy needs. As the country's urbanisation and population grows, the demand for oil and gas is expected to increase. India is predicted to become a major contributor to global non-OECD petroleum consumption growth. During 2021-2022, Crude oil imports increased dramatically from US$ 70 Billion in 2017 to US$ 94.3 Billion. In 2021, India's oil product consumption was 201.26 MMT, up 3.3% year-on-year *(Source: https://www.ibef.org/industry/oil-gas-india).* Indian Oil operates a crude oil, petroleum product, and gas pipeline network that spans over 15,000 kilometres and has a throughput capacity of 94.56 Million metric tonnes per year of oil and 21.69 Million metric standard m^3 per day of gas.

(Source: https://iocl.com/Pages/Pipelines-Overview)

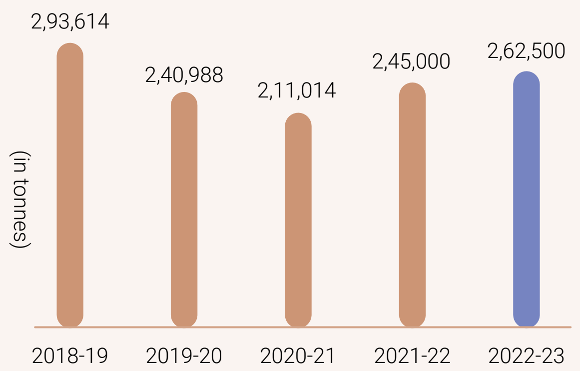
The gas pipeline infrastructure is a cost-effective and secure method of transporting natural gas from gas sources to gas-consuming market economies. The structure and development of the Gas market are determined by the gas pipeline grid. Currently, the country is close to building 187,000 km long operational natural gas pipeline network. To complete the National Gas Grid and make natural gas available throughout the country, an additional set up of 15,500 km of pipelines is also under planning by the Government. Economic sectors, particularly Oil & Gas, are likely to observe high demand for our products through 2030. The Company has already made investments to ensure preparedness for meeting future demand in terms of capacity and product quality.

b) City Gas Distribution

A typical city gas distribution project caters to domestic household use, commercial use in hotels, hospitals, restaurants, and offices, and Transport sector use in three-wheelers, buses, trucks, and cars. It is also used for power generation by small-scale industries. PNGRB grants authorisation to entities for developing a CGD network (including PNG network) in a specified geographical area of the country under the Petroleum and Natural Gas Regulatory Board (PNGRB) Act 2006. The CGD sector is divided into four distinct segments: Compressed Natural Gas (CNG) (primarily used as an auto fuel), Piped Natural Gas (PNG) (which is used in the domestic), Commercial, and Industrial segments.

New players provide opportunities to add new customers and businesses. Ratnamani is anticipated to become one of the key beneficiaries of capex plan revival in the CGD space. The City Gas Distribution (CGD) sector in India is anticipated to witness CAGR of 10% up till 2030, owing to the Government's effort to improve the share of natural gas in the economy from 6% to 15% by 2030. The Company is concentrating on the CGD business, expanding the business' market share and capturing projects from more companies. *(Source: psuwatch.com/india-cgd-sector-witness-cagr-10-percent-next-decade-motilal-oswal)*

Exhibit 4: Trend in carbon steel volumes (in tonnes)



E: Estimated

Source: ICICI Direct, Research Report

c) Water Infrastructure

India is the world's second-most populous country, with a population of 1.38 Billion. Over 6% of this population lacks access to safe water, and approximately 15% of India's population practises open defecation *(Source: https://water.org/our-impact/where-we-work/india/)*. Since 1980, the water infrastructure in India has substantially increased. India is able to conserve only a small portion of its erratic rainfall across regions. Unlike arid-rich countries (such as the United States and Australia) – who have built over 5,000 m3 of water storage per capita – and China – which can store over 1,000 m^3 per capita – India's dams can only store about 200 m^3 per person. Furthermore, India can only store roughly 30 days of rainfall, compared to 900 days in major river basins in wealthy countries' arid areas.

The GOI announced that ₹ 3.5 Lakhs Crores will be spent over the next five years under the newly formed Jal Jeevan Mission to provide piped water (Har Ghar Jal) to all rural households by 2024 *(Source: https://smartgeninfra.com/water-infrastructure/)*. The Company is also keeping track of the rising demand of water infrastructure in the country. Going ahead, the country's infrastructure development initiative is expected to generate higher demand for Ratnamani to tap into.

Government Initiatives

India aims to commercialise 50% of its Strategic Petroleum Reserves (SPR) to raise funds and build additional storage tanks to offset high oil prices. The Indian Government approved oil and gas projects worth ₹1 Lakhs Crores for North-East India in September 2021. These projects are expected to be completed by 2025.

(Source: https://economictimes.indiatimes.com/industry/energy/oil-gas/govt-approves-oil-and-gas-projects-worth-rs-1-lakh-crore-for-northeast-india/articleshow/86484649.cms?from=mdr).

Furthermore, the Government is planning to invest ₹ 7.5 Trillion (US$ 102.49 Billion) in oil and gas infrastructure over the next five years. Refining capacity in the country is expected to increase up to 667 MTPA by 2040.

In order to make India one of the most trustable ones, the Indian Government has already declared several projects, wherein, the Company's products will be employed. However, rising steel prices remain a key concern for the Company speaking of the foreseeable future.

In July 2021, the Department for Promotion of Industry and Internal Trade (DPIIT) approved an order allowing 100% Foreign Direct Investments (FDIs) under an automatic route for oil and gas PSUs. Considering this rapid expansion plan and supportive FDI guidelines, companies like RMTL, with a product portfolio in the Oil & Gas Segment, can expect great opportunities ahead.

Opportunities and Threats

Opportunities

a) Recovery in Global Steel Product Demand

The recovery in demand for steel products will enable the Company to expand its activities. According to the World Steel Association's (WSA) April 2022 report, the recovery from the Covid-19-led pandemic was at a stronger pace than expected. In 2022, supply chain concerns and pandemic waves, rising cases in China, resulted in lower global steel demand. Furthermore, increasing inflation continues to remain a major challenge.

b) Rising Production of Nickel

The expected rise in nickel output and consumption might help the Company to improve our operations. The Global nickel production is anticipated to grow by 6.8% to 2.42 Million tonne in 2021, after registering an expected 4.2% de-growth to 2.27 Million tonne in 2020, owing to pandemic related lockdowns and restrictions. The global nickel production is anticipated to witness a CAGR of 3% throughout 2021-2025 – reaching 2.73 Million tonnes (Mt) in 2025 *(Source: https://stainless-steel-world.net/global-nickel-production-likely-to-grow-by-6-8-in-2021/)*. Indonesia, Russia, Canada, and Philippines are projected to make significant contributions to this expansion. The combined output of these countries is projected to rise from 1.6 Million tonnes in 2021 to 1.8 Million tonnes in 2025. Major projects such as the Araguaia Nickel project in Brazil, the Aquila Nickel project in Indonesia, the Platreef Project in South Africa, and the Monchetundra project in Russia, are likely to boost growth way forward.

Threats

a) Growing Usage of Substitutes

Steel replacements such as aluminium, plastic, wood, cement, composites, and glass, among others, are gaining popularity, posing threat on the growth in demand for steel products. Emerging replacements are now threatening the monopoly of steel across markets. Aluminium is increasingly being used in industries such as automobiles, attempting to reduce vehicle weight and improve fuel efficiency. A car with an aluminium structure can weigh up to 50% less than one with a steel structure.

Government regulatory actions mandate use of steel substitutes, either for environmental reasons or to spur the development of a substitute market. Popularity of steel replacements could diminish demand for steel products, affecting market prices and, as a result, the Company's cash flow and profitability. Therefore, compelling the industry to seek out new alternatives.

b) Stringent Rules and Regulations in India

At the local, state, and municipal levels, a Company must adhere to strict regulations. Customers may experience a delay in receiving those products and services which do not comply with regulatory requirements. Non-compliance with the law may result in penalties and legal proceedings, which could harm the Company's reputation.

Key Risks and Mitigation Strategies

Ratnamani operates in an inter-connected world with stringent regulatory and environmental standards, increased geopolitical risks, and rapid technological advancements that could have a significant impact on the Company's value chain. The Company recognises that Enterprise Risk Management (ERM) is an integral part of good management practice. Risk management is a critical component of achieving business objectives and maximising market opportunities. The Company has implemented and is continually improving an ERM process to provide a holistic view of aggregated risk exposures and to aid in more informed decision-making.

Risk	Impact	Mitigation
Macroeconomic, Sectoral & Market Risks	Newer developments in the competitive global business environment and potential consolidation among competitors may adversely impact the Company's financial condition and prospects. Cyclical nature of the industry and excess volatility in the steel and raw material markets may adversely impact the Company's financial condition.	RMTL has worked hard to develop a diverse product portfolio. Participation in industry consolidation is an opportunity for the development of value-added products and improved services and solutions. However, to lessen the impact of price volatility and the issue of availability, back-to-back bookings are issued by the Company.
Financial Risks	Exchange rate fluctuations caused by financial market volatility may have an impact on the Company's import/export payments and create uncertainty in accessing financial markets. The cost of cash is subject to uncertainty due to interest rate risk and inflation expectations.	RMTL's Board has approved appropriate forex management and hedging policies. In addition, with a stable liquidity position and effective working capital management, manage interest rate swaps on foreign currency borrowings.
Operational Risks	The Company is vulnerable to a high proportion of fixed costs and volatility in raw material and energy prices. Raw material supply constraints or disruptions could have a negative impact on the Company's profitability. Failure or shutdown of critical information systems/servers/machinery that controls the Company's manufacturing plants could have a negative impact on business operations.	RMTL strategically sources products from both domestic and international markets. The Company has actively pursued a supplier diversification strategy and has been able to significantly expand its supply base. To generate more revenue streams, the Company looks for new market opportunities both globally and locally.

Regulatory & Compliance Risk	Various statutes govern our operations, including environmental and climate change laws, trade measures, competition, and taxes, among others. Non-compliance with increasingly stringent regulatory norms may result in not only liabilities, but also reputational damage and a threat to the Company's long-term viability.	RMTL is constantly scanning the regulatory frameworks to understand changing statutes and their implications, to protect and generate business value. The Company is also closely monitoring restrictive trade policies around the world that could influence the business' procurement decisions and market footprint. Policy advocacy is done on a regular basis to bring the industry's concerns to light, and suggestions for a more practical policy regime.
Environment, Social and Governance Related Risks	Environmental, Social, and Governance (ESG) are three key factors in determining a Company's long-term viability and ethical impact. ESG factors have a significant impact on the long-term risk and return of investments, despite the fact that they are non-financial. As a responsible Company, RMTL strives to proactively mitigate all ESG-related risk.	The Company is dedicated to maintain high ethical standards and integrity in our operations, along with preventing corruption and violations of the Company's code of business ethics. Compliance-related risk also includes timely publication of financial results, annual accounts, and obtaining various approvals from members, among other things. Departmental heads provide quarterly compliance certificates for various laws that apply to their departments, which are then presented to the Board of Directors. All employees must follow the Company's code of business ethics as a guideline.
Human Resources Risk	The loss of one or more members of Senior Management, and the inability to attract and retain employees, may have an impact on the Company's operations and prospects. Any labour dispute or social unrest in the Company's operating regions could have a negative impact on the business' operations and financial condition.	RMTL has put a lot of effort into developing positive relationships with our employees. The Company has never had any issues with strikes, lockouts, or labour unrest. In the event that they do, RMTL has employee-friendly programmes and policies in place to retain and attract talent. Regular interaction between senior management and field staff and the frequent implementation of various programmes and events also helps the Company in retaining the human resource.
Information and Cyber Security Risk	Cyber-attacks have increased as a result of the shift to remote working models and the rapid adoption of digital technologies. Non-compliance with IT laws and regulations can result in business disruption and penalties.	RMTL has made several investments in digital transformation over the years. SAP and other corporate systems that were previously on premise have been moved to Tier-4 data centres managed by industry experts. The Company is also putting together a disaster recovery setup in various seismic zones to protect its data in the event of a disaster.

Strategic Risks	Ratnamani is expanding its operations in India organically. The Company may not be able to realise the anticipated benefits of these growth plans (CAPEX), which could harm the business' financial condition and reputation.	RMTL's process pipes and specialty steel products are used in a variety of manufacturing processes across a wide range of industries and sectors, resulting in a significant diversification of concentration risk. Improvements in execution and production ramp-up have resulted in optimising the utilisation of new CAPEX in 2021-22

Corporate Governance

A secondary report on corporate governance is submitted, together with a certificate from the Company's Secretarial Auditors. This report attests compliance with the Listing Regulations' Corporate Governance criteria. A certificate from the Company's CMD and CFO, issued in accordance with Listing Regulations, confirms the accuracy of financial and cash flow statements, along with the adequacy of internal control mechanisms and reporting of matters to the Audit Committee.

Ratnamani conforms to the laws, governance standards and listing regulations. The Company's enacted policies, such as the policy on related party transactions, CSR policy, and whistle-blower policy, are all in compliance with modern governance requirements. These policies can be seen on Ratnamani's official website (www.ratnamani.com). Directors and staff can submit genuine concerns to the Company through a vigilant system. The corporate governance report, appended to this Report, contains further information. The Company's corporate governance philosophy is underpinned by conscience, openness, justice, professionalism, and accountability. Our value system and policies, processes, and systems reflect these characteristics. The Company is committed to implementing the greatest corporate governance system possible and prioritising public interest in our business operations. To guarantee healthy governance, RMTL is regulated by policies, codes of conduct, charters, and numerous committees established in compliance with legislation. Furthermore, the Companies Act of 2013, along with the SEBI Listing Regulations, have strengthened the country's overall governance system.

Human Resources

The Company continued to advance our diversity and inclusion goal in 2021-22. Besides, it worked on increasing leadership capability and on recognising line managers that provide a simple, flexible and courteous work environment for their staff. The Company works hard to train future leaders with the greatest people management strategies. Ratnamani built a strong talent pipeline at all levels owing to a planned leadership development programme. The Human Resource department of the Company is well-equipped to attract and retain talented individuals. The Company aims at fostering an ecosystem that provides long-term professional development scope while catering to individual career-building goals at all levels.

The Management of the Company believes in encouraging teamwork and a self-motivating corporate atmosphere. This effectively established a highly motivated staff over the years by conducting training, rewarding excellent performance, and creating a creative environment. Ratnamani is committed to being the employer of choice by cultivating an inclusive culture, a strong talent pipeline, and organisational skills. Progressive employee relations policies are given significant consideration by the Company. Ratnamani's HR strategies are, thus, predicated on establishing an atmosphere that recruits, nurtures, and rewards top talent.

Internal Control System and their Adequacy

The Company's Corporate Governance Policy guides our conduct of affairs and the Management, including financial and accounting policies, systems and processes. This policy delineates the roles, responsibilities and authorities at each level of the Company's three-tiered governance structure and the key functionaries involved in governance. The Corporate Governance Policy and the Code of Conduct stand widely communicated across the Company at all times. Together the organisational strategies, planning, review processes and the risk management framework, provides the foundation for Internal Financial Controls with reference to the Company's financial statements – basis significant Accounting Policies. These policies are carefully selected by the Management and approved by the Audit Committee and the Board. They are further supported by corporate accounting & systems policies that applied to the entity, implementing the tenets of corporate governance and the significant accounting policies uniformly across the Company.

The accounting policies are reviewed and updated. These are supported by a set of divisional policies and SOPs, established for individual businesses. The Company uses ERP system as a business enabler and also to maintain the business' 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. Besides, the Information Management policy reinforces the control environment. The systems, SOPs and controls are reviewed by Divisional Management and audited by Internal Auditors whose findings and recommendations are constantly reviewed and monitored by the Audit Committee.

The Company has in place adequate internal financial controls with reference to the financial statements. These controls were tested during the year and no reportable material weakness in the design or operation was observed. Nonetheless, the Company recognises that any internal financial control framework, no matter how well it is designed, has inherent limitations. Accordingly, regular audit and review processes are conducted to ensure that such systems are reinforced on an on-going basis.

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

Cautionary Statement

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

BUSINESS RESPONSIBILITY REPORT

Your Directors are pleased to present the Business Responsibility Report of the Company for the financial year ended on March 31, 2022.

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				April 1, 2021 to March 31, 2022
7	Sector(s) that the Company is Engaged in (Industrial Activity Code-wise):				
	Group	Class	Sub-class		Description
	241	2,410	24,106		Manufacturing of tube and tube fittings of basic iron and steel
8	List Three Key Products/Services that the Company Manufactures				The key products that the Company manufacture are as follows: - Stainless Steel Seamless & Stainless Steel Welded Tubes/ Pipes - Nickel Alloy Seamless Tubes - Carbon Steel Welded Pipes - Alloy Steel Welded Pipes - Titanium Welded Tubes - External & Internal Pipes Coatings - Induction Bend
9	Total Number of Locations where Business Activity is Undertaken by the Company :				
	(a) Number of International Locations (Provide Details of Major Five)				The Company has its presence throughout the globe, including its subsidiary Company named "Ratnamani Inc". located at Sugarland, Taxes (U.S.A.) and also through its agency offices. The major countries where the Company has its presence are USA, Europe, Africa, Japan, Saudi Arabia
	(b) Number of National Locations				The Company's state-of-the-art manufacturing facilities are currently located in Indrad, Chhatral and Kutch District of Gujarat. The registered and corporate office of the Company are situated in Ahmedabad, Gujarat and the branch offices are situated in Mumbai and Delhi
10	Markets Served by the Company – Local/State/ National/International				The Company serves local, state, national and international markets

SECTION B: FINANCIAL DETAILS OF THE COMPANY:

1	Paid up Capital (₹)	₹ 934.56 Lakhs
2	Total Turnover (₹)	₹ 3,13,877.72 Lakhs
3	Total Profit After Taxes (₹)	₹ 32,239.25 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as Percentage of Profit After Tax (PAT) (%)	The Company has spent ₹ 495.28 Lakhs towards CSR which constitutes 1.54% of PAT for the year 2021-22. In addition to above, the Company has earmarked an amount of ₹ 264.77 Lakhs for CSR activities in respect of on-going projects
5	List of Activities in which Expenditure in Four Above has been Incurred	a. Education of children in the rural area b. Promotion of preventive healthcare in the rural areas c. Rural development projects d. Eradicating hunger e. Ensuring environmental sustainability

SECTION C: OTHER DETAILS:

1. **Does the Company have any subsidiary company/companies?**

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

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

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

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

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

SECTION D: BR INFORMATION:

1. **Details of Director/Directors responsible for BR:**

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

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

   b) **Details of the BR Head :**

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

2. **Principle-wise (as per National Voluntary Guidelines) BR policy/policies**

   The National Voluntary Guidelines (NVG) on social, environmental and economic responsibilities of business released by the Ministry of Corporate Affairs has adopted nine areas of BR:

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 marginalised
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect, and make efforts to restore the environment
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development.
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Business Responsibility Report (Contd...)

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

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

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

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

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

Note 1: The Company has a systematic process of assessing customer needs and 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: The compliance reports from designated employees 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: (pick up to 2 options)**

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

Governance related to BR

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

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

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

- The Company has started publishing its BR 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 BR report forms a part of the annual report of the Company.

SECTION E: PRINCIPLE-WISE PERFORMANCE:

Principle 1: Businesses should conduct and govern themselves with ethics, transparency and accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the group/ joint ventures/suppliers /contractors/NGOs /others?**

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

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

The code is available on the Company's website at its web address: http://www.ratnamani.com/investors_relations.html /codes & policies / code of conduct & www.ratnamani.com/investors_relations.html/codes & policies / policy / vigil mechanism / Whistle Blower policy.

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

Business Responsibility Report (Contd...)

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

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

Particulars	Pending as on March 31, 2021	Received during 2021-22	Redressed during 2021-22	Pending as on March 31, 2022
Customer Complaints	00	00	00	00
Investor Complaints	00	00	00	00

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

1. List up to three of the Company's products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:

The Company's business activities comprises manufacturing of stainless steel pipes, tubes, carbon steel pipes and induction bend. It has incorporated social as well as environmental concerns, risks and/or opportunities in each of these as under:

- The Company's units are certified covering ISO 9001 : 2008 by TUV Nord (Quality management system), OHSAS 18001 : by TUV Nord (Occupational Health and safety Assessment series), ISO 14001 : by TUV Nord (Environment Management System), ISO 3834-2, API 5L, API 5LC, API 5CP & API 2B by American Petroleum Institute. PED & ADW0 Certification by TUV Nord, AS 9100 D, Marine, NORSOK & "Well known Pipe / Tube Maker" Status by Central Boilers Board, India.
- The construction of new structure/building for utilities with maximum natural light. Using green fuel (natural gas) for manufacturing activity/process
- The Company's equipment were replaced with energy efficient machinery
- The Company operates 18 wind power mills at various locations in Gujarat (i.e. Lamba, Suthri, Vanku, Samakhiali & Patelka), with a total installed capacity of 27 MW. Have achieved 30% of operation electricity power needs from it during 2021-22
- The Company procured battery operated cars for internal transportation at manufacturing facilities
- A bicycle is being used to move from one area to another area for internal movement.
- The replacement of discharge lamp by LED light
- The 3R rule (Reduce, Reuse, and Recycle) was followed in manufacturing activity/process
- The energy efficient appliances are being used
- The trees were planted at manufacturing facilities. (Atleast 33-40% open space is covered with green belt area)
- The solar roof panel facility is being used at Indrad Manufacturing Facility.
- The state-of-the-art technologies in its pipe manufacturing and coating plants, includes installation of advanced machinery with green fuel type heat treatment furnace

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

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

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of the Company's inputs were 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:

- Procured 80% sourcing of consumables and services from local vendors
- Provided an equal opportunity to differently-abled people, destitute women and people from weaker sections, in the form of employment
- Provided regular opportunities 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 the Company are:

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

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

1. Please indicate the total number of employees-2,375

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis-1,648

3. Please indicate the Number of permanent women employees-8

4. Please indicate the Number of permanent employees with disabilities-15

5. Do you have an employee association that is recognised by management-NA

6. What percentage of the permanent employees is members of this recognised employee association?-NA

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

Sr. No.	Category	No. of Complaints Filed during the Financial Year	No. of Complaints Pending as on end of the Financial Year
1	Child Labour / Forced Labour / Involuntary Labour	Nil	Nil
2	Sexual Harassment	Nil	Nil
3	Discriminatory Employment	Nil	Nil

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

Category	(%)
a) Permanent Employees	100.00%
b) Permanent Women Employees	98.00%
c) Casual/Temporary/Contractual Employees	100.00%
d) Employees with Disabilities	0.63%

Business Responsibility Report (Contd...)

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

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 & marginalised stakeholders?**

   Yes, the Company has identified the disadvantaged, vulnerable and marginalised 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 marginalised 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 extends to the group/joint ventures/suppliers/contractors/NGOs/others?**

   The policy related to Principle 6 covers only the Company.

2. **Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, among others? Yes/No? If yes, please give hyperlink for webpage.**

   No.

3. **Does the Company identify and assess potential environmental risks? Yes/No?**

   Yes, the Company identifies the environmental aspects and determine significant environmental impact and risk of each activity.

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

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

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, and renewable energy etc.? Yes/No. If yes, please give hyperlink for web page.**

   Yes, hazardous wastes like used oil, e-wastes, batteries, among others are disposed to authorised recyclers.

   - The roof top solar system & wind power for renewable energy were installed
   - The treated effluent water were re-used in grading and other processes
   - The vegetation and food waste were used in making compost which in turn is helpful in fertilisation and making of manure for the garden

- The treated solid waste was disposed to authorised land filling site
- The Company focuses strongly on clean technology, energy efficiency and renewable energy. The business' renewable energy portfolio, includes 27 MW based energy generation at various places in Gujarat

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

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

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

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

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

1. **Is the Company a member of any trade and chamber or association? If yes, name only the major ones that the business deals with :**

   The Company is associated/member of the following associations:

   a) Bombay Chamber of Commerce and Industry

   b) Gujarat Chamber of Commerce and Industry

   c) Ahmedabad Management Association

   d) Process Plant and Machinery Association of India

   e) Federation of Industries of India

   f) Federation of Kutch Industries Associations

2. **Has the Company 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 CSR Policy, the 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 :**

      The importance of the education is well known and its access is a major concern in rural areas, thus, Ratnamani Education Campus started its journey for the people of Bechraji and surrounded areas with an intention to empower them with affordable education 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, surrounded by lush green garden.

      In order to facilitate quality education to students, the Company has constructed state-of-the-art auditorium halls having audio-visual facilities in Indrad Village and Jakhania, Kutch, which will be used for various educational purposes, including exhibitions, seminars, trainings, workshops, display and presentation of students' projects and for cultural activities.

Business Responsibility Report (Contd...)

2. **Health and sanitation:**

   Understanding the importance of Central Government's campaign of making India "Clean India and Green India" — aimed at ensuring cleanliness and eradication of open defecation. The Company constructed household sanitary complexes in the different villages namely Bhimasar, Satapar, Tapar, Indrad, Nenava Village, Dhanot Village and Vadnagarpura till date.

   The Company has contributed its resources for the purpose of setting up of a cardiac treatment facility adjacent to Ahmedabad for poor and underserved section of the society. Along with that, the Company set up a pathology lab in Gandevi, Navsari for the benefit of the people in the surrounding villages.

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. The Company is helping various villages for deepening the ponds for conservation of rain water. The Company aims to work towards promotion of education by providing, education material mid-day meals to the students and conducting welfare activities for abandoned kids. Besides, our Company facilitates the Government schools in every possible way and strives 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 sewing & embroidery, mehdi, art & crafts, gruh udhyog classes, among others.

5. **Ensuring environmental sustainability/conservation of ecology :**

   Our Company works in the area of environment sustainability. In line with the same, the Company has planted numbers of trees in the vicinities of its plants/facilities, including road sides and maintains it. Ratnamani's plantations of earlier years have grown more than 30 feet and are beneficial for people belonging to villages, which experiences very hot climatic condition with very little rainfall of average 7 inches a year.

   Our Company started and is successfully running its own exclusive campaign, 'Save the Sparrow' to save the endangered sparrow birds and create awareness by distributing nests in the region of Gujarat. The Company distributed 13,500 sparrow nests during the year. Additionally, it is heartening to realise that other societal birds have also started using them besides sparrows. Since the other birds, too are not getting the nesting places and materials from greens to weave the nest.

   As the awareness spreads, the nests are also being distributed widely throughout the country with high rate of successes of nest occupancy. Thus, positively impacting society at large.

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

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

3. **Have you done any impact assessment of the Company's initiative?**

   Our 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 the Company's direct contribution to community development projects- amount in ₹ and the details of the projects undertaken?**

   Our Company has spent ₹ 495.29 Lakhs on CSR activities during 2021-22. Details of the same are mentioned in Annexure-D of the Directors' Report.

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

   Yes, the Company undertakes CSR initiatives and ensures that the same 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, no customer complaints were received and no 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 cases have been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.

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

   Yes, the Company carries out customer survey by sending customer feedback form periodically and tries to improve based on the suggestions/feedback.

***

BOARDS' REPORT

Dear Members,

Your Directors are pleased to present the 38th Annual Report of your Company along with the Audited Financial Statements of the Company for the year ended March 31, 2022:

1. FINANCIAL RESULTS AT A GLANCE

(₹ in Crores)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	3138.78	2,298.13	3138.78	2,298.13
Other Income	37.55	43.41	37.70	43.41
Total Income	3176.33	2,341.54	3176.48	2,341.54
Profit before Tax	430.69	363.38	430.94	363.46
Less: Income tax expenses	108.30	87.48	108.30	87.46
Profit After Tax	322.39	275.90	322.64	276.00

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

During the year under review, the Company achieved Revenue from operations of ₹ 3,138.78 Crores compared to ₹ 2,298.13 Crores of the previous year. The total income on Standalone basis for the financial year 2021-22 at ₹ 3,176.33 Crores was higher by 35.65 % compared to the total income of ₹ 2,341.54 Crores of the previous year; the profit after tax on the standalone basis for the year was also higher by 16.85 % at ₹ 322.39 Crores compared to the previous year and profit after tax on the consolidated basis for the year was also higher by 16.90 % at ₹ 322.64 Crores, compared to the previous year.

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

3. BONUS EQUITY SHARES

The Board of Directors are pleased to recommend for approval of the shareholders, issuance of Bonus Equity Shares in the ratio of 1:2 i.e. One new Bonus Equity Share of ₹ 2.00 each for every Two existing fully paid Equity Shares of ₹ 2.00 each held as on the Record date i.e. Friday, July 01, 2022 by way of capitalisation of ₹ 4,67,28,000.00 from and out of Securities Premium Account of the Company. Your consent is sought by way of postal ballot through remote e-voting. If approved, the Company shall issue 2,33,64,000 new Bonus Equity Shares of ₹ 2.00 each to its shareholders, which shall rank pari passu in all respect with the existing Equity Shares of the Company. The new Bonus Equity Shares will be credited / dispatched within 2 months from the date of Board meeting i.e. latest by July 17, 2022. The Company shall not issue any fractional shares to the shareholders.

4. DIVIDEND

Your Directors are pleased to recommend a dividend of ₹14.00 per Equity Share on 4,67,28,000 Equity Shares having face value of ₹ 2.00 each (pre-bonus) which translates into dividend of ₹ 9.33 per equity share, having face value of ₹ 2.00 each (post-bonus) for the financial year ended on March 31, 2022.

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

5. TRANSFER TO RESERVES

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

6. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on March 31, 2022 was ₹ 934.56 Lakhs divided into 4,67,28,000 Equity Shares of ₹ 2.00/- each. There was no change in the share capital of the Company during the year.

Subject to approval of the members of the Company, post issuance of the Bonus new Equity Shares, the paid up Equity Share Capital shall increase to ₹ 14,01,84,000.00 divided into 7,00,92,000 Equity Shares of ₹ 2.00 Each.

The Board of Directors has proposed to increase the Authorised Capital of the Company from existing ₹ 15.00 Crores divided into 7,50,00,000 Equity Shares of ₹ 2.00 each to ₹ 18.00 Crores divided into 9,00,00,000 Equity

Shares of ₹ 2.00 each. The Board seeks approval of the members for the increase in the authorised Capital and consequent amendment in the capital clause of Memorandum of Association of the Company, at the ensuing Annual General Meeting.

7. BORROWINGS

The Company has long-term borrowings outstanding amounting to ₹ 9,626.82 lakhs as on March 31, 2022.

8. 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).

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

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

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) DIRECTORS:

a) Directors retiring by rotation:

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

b) Independent Directors:

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

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

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

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

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

c) Performance Evaluation of Directors

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

d) Payment of commission to Non-executive Directors

Consequent upon the approval of the members of the Company, your Company pays commission to the Non-executive Directors (including Independent Directors) to the extent not exceeding 0.50% of the net profits of the Company for a financial year calculated as provided under the Companies Act, 2013 and rules made thereunder.

e) Remuneration Policy

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

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

f) The details of programmes for 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

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

B) KEY MANAGERIAL PERSONNEL

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

1. Shri Prakash M. Sanghvi, Managing Director
2. Shri Jayanti M. Sanghvi, Joint Managing Director
3. Shri Shanti M. Sanghvi, Whole Time Director
4. Shri Vimal Katta, Chief Financial Officer
5. Shri Anil Maloo, Company Secretary & Compliance Officer

11. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profits of the Company for the financial year ended on March 31, 2022.

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.

12. BOARD MEETINGS

The Board of Directors met 4 (Four) times during the financial year 2021-22 and having gap of not more than 120 days between 2 (Two) consecutive Board Meetings. The details of the board meetings and the attendance of the Directors are given in the Corporate Governance Report, which is forming part of this Report.

13. AUDIT COMMITTEE

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

14. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with rules made thereunder, M/s. Kantilal Patel & Co., Chartered Accountants, (ICAI Firm Registration No. 104744W) Statutory Auditors of the Company shall hold office till 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.

15. COST AUDITORS

Your Company has received consent from M/s. N. D. Birla & Co., Cost Accountants, to act as the Cost Auditors for conducting audit of the cost records for the financial year 2022-23 along with a certificate confirming their independence and arm's length relationship.

Your Directors have on the recommendation of the Audit Committee, appointed M/s. N. D. Birla & Co., Cost Accountants, as the Cost Auditors of the Company to audit the Cost accounts for the financial year 2022-23 on existing remuneration of ₹.1,20,000/- plus taxes as applicable and out of pocket expenses subject to ratification of the remuneration by the Members in ensuing 38th 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.4 of the Notice convening the 38th Annual General Meeting. The Cost Auditors' Report for the financial year 2021-22 does not contain any qualification, reservation or adverse remark.

16. COST RECORDS

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

17. SECRETARIAL AUDITOR

In terms of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, pursuant to the consent received, appointed M/s. M. C. Gupta & Co., Company Secretaries in practice as the Secretarial Auditor of the Company to conduct an audit of the secretarial records, for the financial year 2022-23.

18. SECRETARIAL STANDARDS:

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

19. CREDIT RATING

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

20. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Audit function is handled by an external firm of Chartered Accountants. The Internal Control Systems are regularly being reviewed by the Company's Internal Auditors with a view to evaluate the efficacy and adequacy of Internal Control Systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and to ensure that these are working properly and wherever required, are modified/ tighten to meet the fast changing 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 under their respective department/functions are operative. The scope of the Internal Audit is defined and reviewed every year by the Audit Committee and inputs, wherever required, are taken from the Statutory Auditors. Based on the report of Internal Auditors, major audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Board's Report (Contd...)

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

Conservation of energy and technology absorption

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

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

Foreign Exchange Earnings and Outgo

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

22. RISK MANAGEMENT

Your Company has an elaborate Risk Management procedure covering various Risks including Business, Operational, Financial, Sectoral, Market, Regulatory and Compliance, Sustainability, Human Resources, Information and Cyber Security and Strategic Risks and its Assessment, measurement and mitigation 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 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 being placed before the Committee and the Board of Directors of the Company. As on the date of this report, the Company does not foresee any critical risk, which threatens its existence.

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

The Company has one Wholly Owned Subsidiary in the State of Texas, USA in the name "Ratnamani Inc." During the year under review, the performance of the subsidiary was lower due to lower crude prices and lower demand from Oil & Gas sector. As a consequence, the subsidiary recorded a profit of US $ 33,897.84 (equivalent to ₹ 25.20 Lakhs) for the year ended on March 31, 2022 (previous year a profit of US $ 13,962.00 (equivalent to ₹10.38 Lakhs). A report on the performance and financial position of the subsidiary is given in **Annexure-"B"**. Your Directors have pleasure in attaching the Consolidated Financial Statements for financial year ended March 31, 2022 pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which have been prepared in accordance with the applicable provisions of the Companies Act, 2013 and Indian Accounting Standards ("Ind AS") and approved by the Board. These Consolidated Financial Statements have been prepared on the basis of the Audited Financial Statements of the Company and its Subsidiary Company, as approved by their respective Board of Directors.

The Financial Statements as stated above are also available on the website of the Company and the same can be accessed at the web link: http://www.ratnamani.com/investors_relations.html.

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

24. CORPORATE GOVERNANCE REPORT

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

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

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

25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

26. CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

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

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

a) Promoting education, including employment enhancing vocational skills and special education, with focus on children, women, elderly and the differently abled ones and also to actively support livelihood enhancement projects

b) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;

c) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, maintaining quality of soil, air and water, using green energy and taking other initiatives for environmental protection;

d) Promoting gender equality, empowering women, day care centres and measures for reducing inequalities faced by socially and economically backward groups;

e) Rural development projects;

f) Training to promote rural sports, nationally recognised sports, Paralympic and Olympic sports;

During the year, the Company has spent ₹ 495.29 Lakhs on CSR activities. The details of CSR activities and expenses are given in **Annexure-"D"**.

27. ANNUAL RETURN

The Annual Return in Form No. MGT-7 of the Company can be accessed from the website of the Company at http://www.ratnamani.com/investors_relations.html#left-tab5.

28. PARTICULARS OF EMPLOYEES

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

29. SECRETARIAL AUDIT REPORT AND SECRETARIAL COMPLIANCE REPORT

A) In terms of Regulation 24A(1) of SEBI (LODR) Regulations, 2015 and pursuant to Section 204 (1) of the Companies Act, 2013, the Secretarial Audit Report for the financial year ended March 31, 2022 is annexed with the Directors' Report and forms part of the Annual Report as given in **Annexure-"F"**.

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

"There was a delay in furnishing prior intimation about the meeting of the board of directors by 2 days under Regulation 29(2) and a monetary fine of ₹ 10,000/- plus GST (₹ 11,800/-) under SEBI-SOP was paid by the Company to each of BSE Limited and National Stock Exchange of India Limited on July 28, 2021 and the Board has taken note of same at its Meeting held on August 06, 2021."

In this regard, it may be noted that the Company had given prior intimation of the date of Board meeting to the Stock Exchanges for consideration of *inter alia* Audited Financial Statements and Dividend for the financial year 2020-21. However, no prior intimation was given in respect of enabling resolution for approval of the members at the ensuing Annual General Meeting for raising of funds by way of issuance of NCDs/ Bonds on private placement basis. The Board of Directors took note of imposition of fine and payment thereof by the Company, at their meeting held on August 06, 2021.

B) In terms of Regulation 24A(2) of SEBI (LODR) Regulations, 2015, the Secretarial Compliance Report for the financial year ended March 31, 2022 has been submitted to the Stock Exchanges by the Company. The said Secretarial Compliance Report may be accessed from the website of the Company at www.ratnamani.com

30. BUSINESS RESPONSIBILITY REPORT

As per the Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report containing a detailed overview of initiatives taken by your Company from Environmental, Social and Governance perspectives, is set out in a separate section included in this Annual Report and forms part of this Report.

Board's Report (Contd...)

31. DISCLOSURES:

A. Vigil Mechanism / Whistle Blower Policy

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

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

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

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

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

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

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

During the financial year 2021-22, there was no complaint/case of sexual harassment and hence no complaint remains pending as on March 31, 2022.

D. Disclosure of Events or Information

In compliance with Regulation 30 of SEBI (LODR) Regulations, 2015, your Company has formulated a policy for determination of materiality of events and pursuant to the same, the Company makes disclosures to the Stock Exchanges. The said policy can be accessed from the website of the Company at http://www.ratnamani.com/ investors_relations.html#left-tab2.

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

E. General

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

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

b) No Issue of equity shares with differential rights as to dividend, voting or otherwise or issued shares (including sweat equity shares) to the employees or Directors of the Company, under any Scheme.

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

d) Neither the Managing Director, Joint Managing Director nor the Whole-time 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.

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

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

APPRECIATION

Your Directors places 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 : Village: Indrad, Taluka: Kadi
Date : May 18, 2022

Board's Report (Contd...)

ANNEXURE: A

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

(A) CONSERVATION OF ENERGY:

The Company is constantly striving to have high degree of optimisation, conservation of energy and absorption of technology. Major initiatives taken by the Company during the financial year 2021-22 are listed below:

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

i. Conventional lights / fluorescent light have been replaced by energy efficient LED Lights.

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

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

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

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

III. The Capital Investment on Energy Conservation Equipments:

The Company has made Capital Investment of ₹ 69.04 Lakhs on Energy Conservation Equipment.

B. TECHNOLOGY ABSORPTION:

I. The efforts made towards technology absorption:

1. LASER based weld seam compensation system installed in coating plant.
2. Installation of AC VFD in low pressure and high pressure pumps of ERW plant..
3. Replacement of old clutch technology with latest servo motor controls in beveling machine of spiral plant.
4. Replacement of old conventional motors with servo drives and motor with latest PROFINET based control in real time radiography Machine to increase productivity.
5. Plant crane control with wireless technology for safe and fast handing of pipe.
6. Automation of Surface grinding M/c (Slitting), new auto system install in place of manual system with servo system and PLC / HMI.
7. EBM-05 new machine installed.
8. ISW-02 New AC motor and AC drive installed in place of DC motor and DC drive.
9. Pipe Polishing machine in house panel wiring modification done and installed.
10. New Induction annealing furnace 0.5" to 4" size installation and commissioning work and successfully commissioned.
11. TM-02 new bright annealing Panel from M/s. Inductotherm make installed satisfactorily in place of Emmedi Italy makes.
12. New band saw cutting installed in place of Circular saw type Online Pipe cutting in TM-05 cutting unit. Modification carried out in PLC and operating.
13. Ring cutting machine-01 in house modification done & installed

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

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

i. Reduced external coating PE material in L-SAW pipes coating by installation of Weld seam compensation system.

ii. Productivity increased by installation of servo control trolley handing system in Real time radiography machine.

iii. Automation of Surface grinding M/c (Slitting) with Servo system results in increased productivity & reduced manpower.

iv. With EBM-05 increase productivity.

v. ISW-02 increased productivity & cost saving of DC drive repairing cost is higher.

vi. Installation of New Polishing Machine Enhance the capability for production and increase the Productivity.

vii. Induction annealing furnace 0.5" to 4" size increase productivity and cost saves.

viii. TM-02 new bright annealing panel installed for productivity and cost saving.

ix. TM-05 new cutting system modification to reduce breakdown time & increase productivity.

x. Installation of New Ring cutting machine to Enhance productivity capability.

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

Double fusion bond epoxy pipe coating system from GEMA- Switzerland

IV. The expenditure incurred on Research and Development.

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

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO-

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

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

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

ii. Total foreign exchange used and earned:

(₹ in Lakhs)

Particulars	Current year 2021-22	Previous year 2020-21
Foreign Exchange Earnings (FOB)	42,070.94	54,177.16
Foreign Exchange Outgo	3,289.09	2,878.79

For and on behalf of the Board of Directors

PRAKASH M. SANGHVI
Chairman and Managing Director
DIN: 00006354

Place : Village: Indrad, Taluka: Kadi
Date : May 18, 2022

Board's Report (Contd...)

ANNEXURE: B

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

Name of subsidiary	Ratnamani Inc.,USA		Ratnamani Inc.,USA	
Reporting period	2021-22		2020-21	
Reporting currency	USD	INR (₹ in Lakhs)	USD	INR (₹ in Lakhs)
Exchange Rate	1 USD = ₹ 75.81		1 USD = ₹ 73.50	
Share capital	10,000.00	6.08	10,000.00	6.08
Reserves & surplus	1,80,348.96	138.17	1,46,451.12	108.89
Total Assets	2,83,499.03	214.87	1,89,361.72	139.16
Total Liabilities	93,150.07	70.62	32,910.60	24.19
Investments	-	-	-	-
Turnover / Other Income	2,10,876.25	156.75	1,47,714.17	109.54
Profit before taxation	33,897.84	25.20	11,603.00	8.60
Provision for taxation	-	-	(2,359.00)	(1.78)
Profit after taxation	33,897.84	25.20	13,962.00	10.38
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 financial year 2021-22 and 2020-21.

As per our report of even date
For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : May 18, 2022

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

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

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Place : Village: Indrad, Taluka: Kadi
Date : May 18, 2022

ANNEXURE 'C'

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

1) BOARD OF DIRECTORS

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

MATRIX OF SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD:

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

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

Board's Report (Contd...)

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

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

Composition of the Board

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

The Executive Chairman heads the Board of Directors. The total strength of the Board of Directors of the Company are 7 (Seven) members as on March 31, 2022, comprising 3 (Three) Executive Directors and 4 (Four) Non-Executive Independent Directors including one Women Independent Director.

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

The details of composition of the Board as at March 31, 2022 and other information are given herein below:

Category	Name of the Director(s)	Position held	No. of Directorship in listed entities (including in the Company)	Memberships/ Chairmanships of Committee (including in the Company)		No. of Equity Shares held as on 31st March, 2021 in the Company
				Member ship	Chairman ship	
Promoter Executive	Shri Prakash M. Sanghvi	Chairman & Managing Director	1	0	0	72,18,385
	Shri Jayanti M. Sanghvi	Jt. Managing Director	1	2	0	39,11,025
	Shri Shanti M. Sanghvi	Whole Time Director	1	0	0	18,16,995
Independent Non-Executive	Shri Pravinchandra M. Mehta	Independent Director	1	0	0	5,000
	Shri Divyabhash C. Anjaria	Independent Director	1	2	2	22,065
	Dr. Vinodkumar M. Agrawal	Independent Director	1	2	0	27,500
	Smt Nidhi G. Gadhecha	Independent Director	1	1	0	1,441

Notes:

1. It is affirmed that none of the Directors on the Board holds directorships in more than ten public companies. None of the Directors serves as a director on more than seven listed entities. Further, none of the Managing Director / Whole Time Director serves more than three listed entities as an Independent Director (as specified in Regulation 17A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015). Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors are related to each other except Shri Prakash M. Sanghvi, Shri Jayanti M. Sanghvi and Shri Shanti M. Sanghvi who are brothers and related to each other.

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

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

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

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

Board's Report (Contd...)

Directors' Attendance Records for the financial year ended on March 31, 2022

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

(*) Attended personally / via Video Conference.

During the Financial Year 2021-22, 4 (Four) Board Meetings were held on June 02, 2021, August 06, 2021, October 28, 2021 and February 08, 2022. The full 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 twice on June 02, 2021 and February 08, 2022, 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 either personally or through video conference.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

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

EVALUATION OF THE BOARD'S PERFORMANCE:

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

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

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

The performance evaluation of the Independent Directors, the Chairman and the Non-Independent Directors was carried out by the Board. The criteria for performance evaluation of Independent Directors are their knowledge, expertise in their fields, contribution in important decision making in the Board and Committee Meeting. The Independent Director, who is subject to evaluation, does not participate in the evaluation process carried out by the Board of Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

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

Board Meetings, Committee Meetings and Procedures

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

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

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

2) BOARD COMMITTEES

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

The Company has at present the following committees namely:

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

2.1. Audit Committee

Composition

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

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

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

The Company Secretary acts as the Secretary to the Committee.

Board's Report (Contd...)

Meetings and Attendance

During the year, four meetings of the Audit Committee were held on June 01, 2021, August 05, 2021, October 28, 2021 and February 07, 2022. The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company held on September 27, 2021.

The following table summarises the attendance of the Committee members:

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

(*) Attended personally / via Video Conference.

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

Terms of reference

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

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

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

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

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

E. Reviewing the quarterly financial statements of the Company.

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

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

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

I. Approval or any subsequent material modification of transactions of the Company with related parties. Omnibus Approval for related party transactions proposed to be entered into and quarterly review of the same.

J. Approval of related party transactions, to which the subsidiary Company of the Company is a party, if the value of transactions exceeds the threshold limits as defined in SEBI (LODR) Regulations, during a financial year.

K. Scrutiny of inter-corporate loans and investments.

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

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

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

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

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

Q. 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.

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

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

T. Review the functioning of the Vigilance Mechanism/whistle blower policy.

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

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

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

Powers:

The Audit Committee has the following Powers:

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

ii. To seek any information from any employee.

iii. To obtain outside legal and professional advice.

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

2.2. Nomination and Remuneration Committee

Composition

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

Meetings and Attendance

During the year, 2 (Two) meetings of the Nomination and Remuneration Committee were held on June 01, 2021 and August 05, 2021. The Chairman of the Committee had also attended the last Annual General Meeting of the Company.

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

(*) Attended via Video Conference.

The Company Secretary acts as the Secretary to the Committee.

Terms of reference:

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

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

Board's Report (Contd...)

2. To evaluate the balance of skills, knowledge and experience for every appointment of the Independent Director and to prepare a description of Role and Capabilities required of an Independent Director.
3. To evaluate of performance of Independent directors and the Board of Directors.
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 laid down by the Committee.
6. To consider and recommend to the Board appointment and removal of directors, other persons in Senior management and key managerial personnel (KMP).
7. To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
8. To recommend to the Board, all remuneration, in whatever form, payable to the Senior Management of the Company.

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

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

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

   i) Fixed pay:

   a) Basic salary

   b) Allowances

   c) Perquisites

   d) Retirement benefits

   ii) Variable pay (applicable to Executive Directors)

   Factors for determining and changing fixed pay:

   i) Existing compensation

   ii) Educational Qualifications

   iii) Experience

   iv) Salary structure for the position

   v) Performance

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

   Factors for determining variable pay:

   i) Company performance

   ii) Individual's performance

2. Non-Executive Directors are entitled to Commission within the overall maximum limit of 0.50% per annum of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013 and they are also entitled for sitting fees for attending the meetings of the Board and Committees thereof. The Company also reimburses out of pocket expenses to Non-Executive Directors for attending the meetings.

Details of Remuneration / Sitting fees of Directors

The details of Remunerations / Sitting fees paid to Executive and Non-Executive Directors for the financial year 2021-22 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	197.00	1,500.00	0.00	23.64	0.00	0.00	1720.64
Shri Jayanti M. Sanghvi	167.20	900.00	2.12	20.06	0.00	0.00	1089.38
Shri Shanti M. Sanghvi	140.30	600.00	1.50	16.84	0.00	0.00	758.64
Shri Pravinchandra M. Mehta	0.00	10.00	0.00	0.00	0.00	4.40	14.40
Shri Divyabhash C. Anjaria	0.00	10.00	0.00	0.00	0.00	6.40	16.40
Dr. Vinod M. Agrawal	0.00	7.50	0.00	0.00	0.00	5.60	13.10
Smt Nidhi G. Gadhecha	0.00	5.00	0.00	0.00	0.00	4.00	9.00

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

Terms of Agreement	Shri Prakash M. Sanghvi, Chairman and Managing Director	Shri Jayanti M. Sanghvi, Joint. Managing Director	Shri Shanti M. Sanghvi, Whole Time Director
Period of Appointment	5 Years	5 Years	5 Years
Date of Appointment	November 01, 2018	November 01, 2018	November 01, 2018
Shareholders' approval in the AGM held on	August 09, 2018	August 09, 2018	August 09, 2018
Notice Period for the termination of the Contract	The services of all the three Executive Directors are contractual and for a term of 5 (Five) years. For any termination of Service Contract, the Company or the Executive Director is required to give a notice of 3 (Three) Months or pay 3 (Three) month's salary in lieu thereof to the other party.		

The Non-Executive Directors were paid Sitting Fees of ₹40,000/- for attending each Board Meeting and for Committee Meetings attended during the financial year 2021-22.

2.3. Stakeholders Relationship Committee

Composition and terms of reference

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

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

Board's Report (Contd...)

During the year, 2 (Two) meetings of the Stakeholders Relationship Committee were held on June 02, 2021 and October 27, 2021. The Chairman of the Stakeholders Relationship Committee also attended the last Annual General Meeting of the Company. The Committee also recommends steps to be taken for quality services to the investors. The composition of the said Committee and details of meeting are as under:

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

(*) Attended personally / via Video Conference

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

Investor Complaints

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

Sr. No	Nature of Complaints	Opening Balance as on April 1, 2021	Received during the Year	Redressed/ Attended during the year	Pending as on March 31, 2022
1	Non-receipt of duplicate / new share certificate	Nil	Nil	Nil	Nil
2	Non-receipt of Dividend Warrants / Demand Drafts	Nil	Nil	Nil	Nil
3	Non receipt of Annual Reports	Nil	Nil	Nil	Nil
4	Miscellaneous	Nil	Nil	Nil	Nil

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

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

2.4 Corporate Social Responsibility Committee

Composition & Terms of reference

The Corporate Social Responsibility ("CSR") Committee has been constituted in line with the provisions of Section 135 of the Companies Act, 2013. The committee formulates, reviews and recommends the amount of expenditure to be incurred on CSR activities and regularly monitors CSR activities to accomplish the objectives of the implementation of CSR Policy. The CSR Committee comprises of 3 (Three) Directors out of which 1 (One) is an Independent Director and 2 (Two) Directors are Executive Directors of the Company. Shri Pravinchandra M. Mehta, Non-Executive Independent 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, 3 (Three) Meetings were convened and held on June 01, 2021, October 27, 2021 and February 08, 2022. The following table summarises the attendance of the Committee members:

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

(*) Attended personally / via Video Conference.

The Company Secretary acts as the Secretary to the Committee.

2.5 Risk Management Committee

Terms of reference

The Board of Directors had constituted the Risk Management Committee on November 10, 2011 and pursuant to the amended SEBI (LODR) Regulations, 2015, the following is the terms of reference of the Committee:

1) To formulate a detailed risk management policy, which shall include:
   (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
   (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
   (c) Business continuity plan.
2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

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

Composition, Meetings and attendance

With effect from June 02, 2021, the Risk Management Committee comprises of One Non-Executive Independent Director as Chairman, Three Executive Directors and Three Senior Executives as Members of the Committee.

During the year under review, 2 (Two) meetings were convened and held on June 01, 2021 and October 27, 2022. The gap between two consecutive meetings was less than One Hundred and Eighty Days.

The following table summarises the attendance of the Committee members:

Name of Director(s)	Category	Status	No. of Meetings held	No. of Meetings Attended (*)
Shri Divyabhash C. Anjaria	Non-Executive Independent Director	Chairman	2	2
Shri Prakash M. Sanghvi	Managing Director	Member	2	2
Shri Jayanti M. Sanghvi	Joint Managing Director	Member	1	1
Shri Shanti M. Sanghvi	Whole Time Director	Member	1	1
Shri Manoj P. Sanghvi	Business Head (CS Pipe Division)	Member	1	1
Shri Vimal Katta	Sr. V. P. (Finance & Accounts) / C. F. O.)	Member	1	1
Shri R. S. Patel	Sr. V. P. (Manufacturing)	Member	1	1

(*) Attended personally / via Video Conference

The Company Secretary acts as the Secretary to the Committee.

3) GENERAL BODY MEETINGS

A. Annual General Meeting:

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

AGM	Financial Year	Date	Time	Special Resolutions Passed	Venue of the AGM
35th	2018-19	August 09, 2019	10.00 a.m.	3*	The Ahmedabad Textile Mills Association Hall, Ashram Road, Ahmedabad
36th	2019-20	August 27, 2020	10.00 a.m.	Nil	Through Video Conference
37th	2020-21	September 27, 2021	10.00 a.m.	2*	Through Video Conference

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

Note: At the 36th & 37th AGM held on August 27, 2020 and September 27, 2021 respectively, the ordinary and special businesses were transacted through E-voting.

Board's Report (Contd...)

B. Extraordinary General Meeting:

No extraordinary general meeting of the members was held during the financial year 2021-22

C. Postal Ballot

No Special resolution was passed through Postal Ballot during the financial year 2021-22. As of now, your Company does not propose any Special resolution through postal ballot.

4) MEANS OF COMMUNICATIONS

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

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

Other communications are as under:

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

5) GENERAL SHAREHOLDERS INFORMATION

A. General Information

38th Annual General Meeting

Date	:	Tuesday, August 9, 2022
Time	:	10.30 A.M.
Venue	:	The 38th AGM will be held through Video Conference/Other Audio Visual Means (**"VC/OAVM"**)
Remote E-voting period	:	The voting period begins on Thursday, August 04, 2022 at 9.00 A.M. and ends on Monday, August 08, 2022 at 5.00 P.M.

B. Tentative Financial Calendar for the Financial Year 2022-23:

Financial Year	:	April 01, 2022 to March 31, 2023
Financial Results		
First Quarter ended on June 30, 2022	:	Second week of August 2022
Half year ended on September 30, 2022	:	Second week of November 2022
Third Quarter ended on December 31, 2022	:	Second week of February, 2023
Fourth Quarter ended on March 31, 2023	:	Last week of May 2023
AGM for the financial year 2022-23	:	August / September 2023

C. **Dividend payment date:** The dividend for the financial year 2021-22, as recommended by the Board of Directors, if approved by the members at the ensuing Annual General meeting, shall be paid within 30 days of the declaration.

D. Listing on Stock Exchanges

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

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

E. Listing Fees to Stock Exchanges:

Pursuant to Regulation 14 of SEBI (LODR) Regulations, 2015, the Company has paid the Listing Fees for the financial year 2022-23 to the above Stock Exchanges.

F. Custodial Fees to the Depositories:

The Company has paid custodial fees for the financial year 2022-23 to the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

G. Stock Code / Symbol:

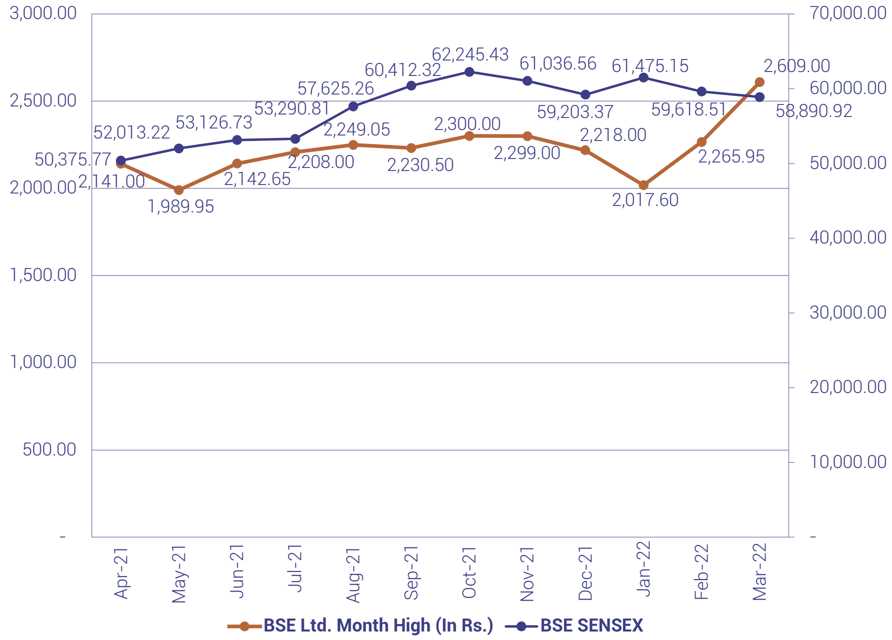
Stock Exchanges	Scrip Code
BSE Ltd ("BSE")	520111
National Stock Exchange of India Limited ("NSE")	RATNAMANI
International Security Identification Number ("ISIN")	INE703B01027
Corporate Identification Number ("CIN")	L70109GJ1983PLC006460

H. Market Price Data

Performance in comparison to BSE Sensex and NSE Nifty and Liquidity

Month	Share price BSE		BSE Sensex		BSE Volumes (No. of Shares)	Share price NSE		NSE (NIFTY)		NSE Volumes (No. of Shares)
	High (₹)	Low (₹)	High	Low		High (₹)	Low (₹)	High	Low	
April-21	2,141.00	1,903.80	49,868.53	50,375.77	35,437	2,144.95	1,888.30	15,044.35	14,151.40	6,11,298
May-21	1,989.95	1,753.60	48,356.01	52,013.22	23,325	1,987.00	1,752.25	15,606.35	14,416.25	3,68,144
June-21	2,142.65	1,900.00	52,067.51	53,126.73	59,197	2,147.00	1,900.00	15,915.65	15,450.90	15,81,386
July-21	2,208.00	2,000.00	52,638.50	53,290.81	32,619	2,218.00	1,998.80	15,962.25	15,513.45	6,44,026
Aug-21	2,249.05	2,014.40	52,901.28	57,625.26	1,10,762	2,248.35	2,013.55	17,153.50	15,834.65	8,44,284
Sept-21	2,230.50	2,095.05	57,763.53	60,412.32	56,325	2,230.00	2,102.00	17,947.65	17,055.05	7,54,849
Oct-21	2,300.00	2,081.75	58,889.77	62,245.43	1,14,263	2,300.00	2,082.60	18,604.45	17,452.90	6,47,535
Nov-21	2,299.00	2,015.55	59,577.48	61,036.56	2,95,777	2,305.30	2,012.20	18,210.15	16,782.40	9,88,091
Dec-21	2,218.00	1,855.00	57,365.85	59,203.37	22,592	2,205.00	1,855.60	17,639.50	16,410.20	3,61,203
Jan-22	2,017.60	1,864.20	58,310.09	61,475.15	1,05,380	2,022.00	1,861.30	18,350.95	16,836.80	4,29,386
Feb-22	2265.95	1,917.95	58,672.86	59,618.51	37,765	2,263.00	1,901.00	17,794.60	16,203.25	4,47,436
Mar-22	2,609.00	2,152.85	55,629.30	58,890.92	48,854	2,626.10	2,146.35	17,559.80	15,671.45	7,66,789

Board's Report (Contd...)



I. Registrar & Share Transfer Agents (RTA)

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

J. Share Transfer System

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

Further, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 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 unless the securities are held in the dematerialised form with the depositories. In view of the same, Equity Shares of the Company shall be eligible for transfer only in Dematerialised form. Therefore, Shareholders are requested to dematerialise the Equity Shares of the Company, if held by them in physical mode

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

K. Demat Suspense Account / Unclaimed Suspense Account:

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

L. Distribution of Shareholdings as on March 31, 2022:

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 to 500	16,081	94.15	7,65,408	1.64
501 to 1000	468	2.74	3,62,369	0.77
1001 to 2000	207	1.21	2,98,199	0.64
2001 to 3000	73	0.43	1,81,433	0.39
3001 to 4000	39	0.23	1,37,320	0.29
4001 to 5000	24	0.14	1,11,277	0.24
5001 to 10000	43	0.25	3,00,451	0.64
10001 & Above	145	0.85	4,45,71,543	95.39
Total	**17,080**	**100.00**	**4,67,28,000**	**100.00**

M. Category wise Shareholders as on March 31, 2022:

Sr. No.	Category of Shareholders	No. of Shares	% of total Shareholding
1	Promoters and Promoters Group(*)	2,81,11,625	60.16
2	Central Government	2,292	0.00
3	Bodies Corporate	3,43,855	0.73
4	Foreign Portfolio Investors (Corporate)	56,67,976	12.13
5	Nationalised Banks	330	0.00
6	Mutual Funds	74,63,123	15.97
7	Non Resident Indians (Repatriable)	2,03,593	0.43
8	Non Resident Indians (Non Repatriable)	29,072	0.06
9	Public	45,09,418	9.65
10	Clearing Members	8,100	0.02
11	Hindu Undivided Family	62,700	0.13
12	Investors Education and Protection Fund Authority	1,78,109	0.38
13	Alternate Investment Funds – III	80,050	0.17
14	Trusts	1,178	0.00
15	Insurance Companies	53,755	0.11
16	Body Corporate - Ltd Liability Partnership	12,824	0.03
	TOTAL	**4,67,28,000**	**100.00**

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

N. Dematerialization of Shares

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

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

Status of Dematerialisation and Physical of the Company's Equity Shares as on March 31, 2022 is as under:

Particulars	No. of shares as on March 31, 2022	% of Total Capital as on March 31, 2022	No. of Shareholders as on March 31, 2022
A. National Securities Depository Limited ("NSDL")	3,39,11,939	72.57	6803
B. Central Depository Services (India) Limited ("CDSL")	1,24,01,130	26.54	9506
1. Total Dematerialized Shares (A + B)	4,63,13,069	99.11	16309
2. Physical	4,14,931	00.98	771
Total	**4,67,28,000**	**100.00**	**17,080**

Board's Report (Contd...)

O. Corporate Benefits to Shareholders:

a. Dividend declared for the last seven years:

Financial Year	Dividend Declaration Date	Dividend in Rupees Per Equity Share of ₹ 2/- each	Dividend Rate (%)	Total Outgo (excluding DDT) (₹ in Lacs)
2020-21	September 27, 2021	14.00	700	6,541.92
2019-20 (Interim)	March 05, 2020	12.00	600	5,607.36
2018-19	August 09, 2019	9.00	450	4,205.52
2017-18	August 09, 2018	6.00	300	2,803.68
2016-17	September 12, 2017	5.50	275	2,570.04
2015-16 (Interim)	March 12, 2016	5.50	275	2,570.04
2014-15	September 23, 2015	5.50	275	2,570.04

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

All unclaimed dividend amount up to financial year 2013-14 have been transferred to Investor Education & Protection Fund.

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 8,516 equity shares to the IEPF Authority in the financial year 2021-22.

P. NACH/NECS/ECS Facilities:

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

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

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

– NIL –

R. Plant Locations : -

Stainless Steel ("SS") Division	Survey No.423, Ahmedabad-Mehsana Highway, Village-Indrad, Nr. Chhatral GIDC, Taluka – Kadi, Dist. Mehsana, Pin code – 382 715, Gujarat (India).
Carbon Steel ("CS") Division	Plot No. 3306 to 3309, GIDC Estate, Phase IV, Ahmedabad – Mehsana Highway, P.O. Chhatral, Taluka – Kalol, Dist.: Gandhinagar, Pin code – 382 729, Gujarat (India).
Kutch Division (SS Div. & CS Div.)	Survey No. 474, Anjar-Bhachau Road Village: Bhimasar, Tal. Anjar, Nr. Gandhidham, Dist.: Kutch, Pin code – 370240, Gujarat (India).ndia).

S. Address and Contact details of the Company:

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

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

T. Address of the Registrar & Transfer Agent:

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

RTA's REGISTERED OFFICE ADDRESS	RTA's AHMEDABAD BRANCH ADDRESS
Link Intime India Private Limited **Unit:** Ratnamani Metals & Tubes Limited C-101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai – 400 083. Tel. No. – (022) 49186000 Fax No. – (022) 49186060 E-mail: rnt.helpdesk@linkintime.co.in	Link Intime India Private Limited **Unit:** Ratnamani Metals & Tubes 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, Ellisbridge, Ahmedabad – 380 006. Tel No. 079-26465179/86/87 Email : ahmedabad@linkintime.co.in

6) DISCLOSURES

6.1 Related party transactions

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

The loans and advances in the nature of loans to subsidiary, if any, is given in the notes go the Financial Statements. The Company has not given any loan to anyone for investment in the shares of the Company or its subsidiary.

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

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

Further, the Company or its subsidiary has not given any loan or advances in the nature of loans to firms / companies in which directors are interested

6.2 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.

6.3 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.

6.4 Vigil Mechanism / Whistle Blower Policy

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

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

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

6.6 Risk Management

The Company regularly reviews the risks and takes corrective actions for managing / mitigating the same. The internal control system provides support for risk management of the Company. The Board has approved Risk Management

Board's Report (Contd...)

Policy and the same is being evaluated from time to time. The Risk Management Policy encompasses identification of various kind of risks, evaluation thereof including commodity price risk, foreign currency risk, cyber security risk and measures for risk mitigation and avoidance strategies.

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

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

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

6.9 Fees paid to Statutory Auditors

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

(₹ in Lakhs)

Payments to Statutory Auditors	
As Auditors:	
Audit Fee	13.50
Limited Review	9.50
	23.00
In other capacity:	
Certification	0.00
Reimbursement of expenses	0.53
	0.53
Total	**23.53**

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

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

6.11 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.

6.12 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.

6.13 Policy on Determination of Materiality of Event / Information

Pursuant to the requirements under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has formulated and approved a Policy on Determination of Materiality of Event / Information. The policy has been hosted on the website of the Company.

6.14 Shareholders Rights

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

6.15 Training of Board Members

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

6.16 Statutory Audit qualifications

There are no qualifications in the Statutory Auditors' Report on the Financial Statements of the Company for the financial year 2021-22.

6.17 Compliance of Regulation 26(6) of Listing Regulations

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

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

7. 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 2021-22 has been received.

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

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

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

3. Certification by Managing Director & Chief Financial Officer

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

4. Certification by Chief Financial Officer in respect of Corporate Social Responsibility

The Board of Directors of the Company has satisfied itself that the funds disbursed for Corporate Social Responsibility have been utilised for the purpose and in the manner as approved by it. The Board has received a Certificate from Chief Financial Officer to that effect.

5. Reconciliation of Share Capital Audit Report

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

Board's Report (Contd...)

6. 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.

7. Certification by Practicing Company Secretary

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained a Corporate Governance Compliance Certificate for the financial year 2021-22 from M/s. M. C. Gupta & Co., Company Secretaries in practice, regarding compliance of conditions of Corporate Governance as stipulated and is annexed herewith.

For and on behalf of the Board of Directors

PRAKASH M. SANGHVI
Chairman and Managing Director
DIN: 00006354

Place: Village: Indrad, Taluka: Kadi
Date: May 18, 2022

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 March 31, 2022, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

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

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

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

Mahesh C. Gupta
Proprietor
FCS: 2047 (CP. 1028)
Peer Review: 579/2019
UDIN: F002047D000338438

Place: Ahmedabad
Date: May 18, 2022

ANNEXURE -D

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2021-22

1. **Brief outline on CSR Policy of the Company.**

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

2. **Composition of CSR Committee:**

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

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

1)	Composition of CSR committee	http://www.ratnamani.com/download/Investor_info/composition_of_committee.pdf
2)	CSR Policy	http://www.ratnamani.com/download/Code_and_Policy/CSR_Policy.pdf
3)	CSR projects	https://www.ratnamani.com/download/Annual-Action-Plan-of-CSR/2021-22.pdf

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

   Not Applicable

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

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

6. **Average net profit of the Company as per section 135(5) –** ₹ 38,002.74 Lakhs

7. (a) **Two percent of average net profit of the Company as per section 135(5) -** ₹ 760.05 Lakhs

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

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

   (d) **Total CSR obligation for the financial year (7a+7b-7c) -** ₹ 760.05 Lakhs

Board's Report (Contd...)

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 4,95,28,550	₹ 2,64,76,937	April 30, 2022	Not Applicable		

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

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial Year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	Building, Setting up of School	Promotion of Education	Yes	Gujarat	Kutch	Four Financial Years (including 2020-21)	Out of current year 2,20,61,437	Nil	2,20,61,437	Implementing agency	Shree Mahavir Education Trust	CSR00005770
2	Building of Auditorium Hall	Promotion of Education	Yes	Gujarat	Kutch	Two Financial years (including 2021-22)	2,00,00,000	171,00000	29,00,000	Implementing agency	Veerayatan	CSR00002781
3	Class Rooms	Promotion of Education	Yes	Gujarat	Bhimasar, Kutch	Two Financial years (including 2021-22)	9,50,000	90,500	8,59,500	Implementing agency	Shree Eklavya Kedvani Mandir	CSR00025729
4	Pathology Lab	Healthcare	Yes	Gujarat	Gandevi, Navsari	Two Financial years (including 2021-22)	26,56,000	20,00,000	6,56,000	Implementing agency	Rotary Club	CSR00006048
TOTAL AMOUNT							4,56,67,437	191,90,500	2,64,76,937			

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

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State.	District.			Name	CSR registration number
1	Installation of Solar Power Generation Panels at the Campus of Shree Mahavir Education Trust.	Promotion of Education	Yes	Gujarat	Bechraji	25,50,000	Implementing Agency	Shree Mahavir Education Trust, Bechraji	CSR00005770
2	Stiching Material	Promotion of Education	Yes	Gujarat	Banaskantha	1,06,405	Direct	-	-
3	Education Expenses	Promotion of Education	Yes	Gujarat	Banaskantha	24,000	Direct	-	-
4	Education Expenses	Promotion of Education	Yes	Gujarat	Banaskantha	1,04,500	Direct	-	-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implem-entation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State.	District.			Name	CSR registration number
5	Education Expenses	Promotion of Education	Yes	Gujarat	Banaskantha	60,500	Direct	-	-
6	Distribution of Elastic, Thread and Sewing Material	Promotion of Education	Yes	Gujarat	Banaskantha	18,515	Direct	-	-
7	Education for underprivileged kids at Uthan Seva Sansthan	Promotion of Education	Yes	Gujarat	Ahmedabad	1,00,000	Direct	--	--
8	Education Expenses	Promotion of Education	Yes	Gujarat	Ahmedabad	50,000	Implementing Agency	Kavita Foundation	CSR00021799
9	Essential Educational material provided at Kasturba Gandhi Kanya School	Promotion of Education	Yes	Gujarat	Anjar, Kutch	2,70,081	Direct	--	--
10	Education related Expenses	Promotion of Education	Yes	Maharashtra	Mumbai	1,08,000	Implementing Agency	Shree Sanskruti Pracharak Trust	CSR00022212
11	Computers installed at Shree Arjun Vidhyalaya - Kutch	Promotion of Education	Yes	Gujarat	Kutch	6,30,120	Direct	--	--
12	Auditorium Hall at Indrad	Rural Development	Yes	Gujarat	Mehsana	44,55,264	Direct	--	--
13	Toilet Construction, IEC Activities at Vadnagarpura	Rural Development	Yes	Gujarat	Mehsana	3,60,361	Implementing Agency	Anarde Foundation	CSR00000282
14	Environmental Sustainability Expenses	Promotion of Environmental Sustainability	Yes	Gujarat	Banaskantha	1,33,050	Direct	-	-
15	Tree Plantation at Nenava Village	Promotion of Environmental Sustainability	Yes	Gujarat	Banaskantha	9,950	Direct	-	-
16	Environmental Sustainability Expenses	Promotion of Environmental Sustainability	Yes	Gujarat	Banaskantha	90,000	Direct	-	-
17	Maintenance of Trees at Nenava Village	Promotion of Environmental Sustainability	Yes	Gujarat	Banaskantha	52,810	Direct	-	-
18	Pond Deepening	Environmental sustainability	Yes	Gujarat	Vada, Anjar	4,13,274	Implementing Agency	Anarde Foundation	CRS00000282
19	Pond Deepening	Environmental sustainability	Yes	Gujarat	Vira, Anjar	6,85,811	Implementing Agency	Anarde Foundation	CRS00000282
20	Plastic Waste Collection & Recycle Project	Environmental sustainability	Yes	Gujarat	Gandhinagar	5,00,000	Implementing Agency	Nepra Foundation	CSR00013455
21	Medicines Given to Covid Patients at Nenava	Health Care	Yes	Gujarat	Banaskantha	60,677	Direct	-	-
22	Oxy-flow Machine to Nenava PHC	Health Care	Yes	Gujarat	Banaskantha	25,000	Direct	-	-
23	Antigen Rapid Test Kit Provided	Healthcare	Yes	Gujarat	Bhuj	89,600	Direct	--	--
24	Antigen Rapid Test Kit provided	Healthcare	Yes	Gujarat	Mehsana	7,38,080	Direct	--	--
25	Covid Medicine distributed	Healthcare	Yes	Maharashtra	Mumbai	47,077	Direct	--	--
26	Eye Protection Kits provided	Healthcare	Yes	Gujarat	Ahmedabad	50,000	Direct	--	--
27	Oxygen concentrator provided	Healthcare	Yes	Gujarat	Gandhidham	1,23,000	Direct	--	--
28	Oxygen concentrator provided	Healthcare	Yes	Gujarat	Bechraji, Mehsana	74,930	Direct	--	--
29	Covid related material distribution	Healthcare	No	Rajahasthan	Bhinmal	11,00,000	Implementing Agency	Sukhraj B Nahar Charitable Trust	CSR00007005
30	Drinking Water dispenser	Healthcare	Yes	Gujarat	Gandhinagar	8,800	Direct	--	--

Board's Report (Contd...)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implem-entation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State.	District.			Name	CSR registration number
31	Copper Line for Oxygen Plant at Navjivan Hospital	Healthcare	Yes	Gujarat	Anjar, Kutch	1,91,544	Direct	--	--
32	Civil Infrastructure for Oxygen Plant at Navjivan Hospital	Healthcare	Yes	Gujarat	Anjar, Kutch	1,30,000	Direct	--	--
33	MCS for Blood Banking Machinery at Red Cross Society	Healthcare	Yes	Gujarat	Ahmedabad	35,16,800	Direct	--	--
34	Cardiac treatment facility at Satya Sai Hospital, Dholka	Healthcare	Yes	Gujarat	Dholka	1,00,00,000	Implementing Agency	Satya Sai Hospital	CSR00007410
35	Sparrow Nest distribution	Animal Welfare	Yes	Gujarat	Ahmedabad	1,71,053	Direct	-	-
36	Animal Ambulance Van	Animal Welfare	Yes	Gujarat	Ahmedabad	6,44,848	Implementing Agency	Jivdaya Charitable Trust	CRS00003907
37	Food Distribution	Eradicating Hunger	Yes	Gujarat	Ahmedabad	5,00,000	Implementing Agency	Jain International Trade Organisation	CRS00006170
38	Food Distribution	Eradicating Hunger	Yes	Gujarat	Ahmedabad	11,00,000	Implementing Agency	The Akshayapatra Foundation	CSR00000286
	Total					**2,92,94,050**			

(d) Amount spent in Administrative Overheads - ₹ 10,44,000

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - ₹ 4,95,28,550

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

Sr. No.	Particular	(₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	760.05
(ii)	Total amount spent for the Financial Year	495.29
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
01	2018-19	NA	NA	NA	NA	NA	NA
02	2019-20	NA	NA	NA	NA	NA	NA
03	2020-21	3,41,19,446	Nil	NA	NA	NA	3,41,19,446

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

(1) Sr. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year (in ₹)	(9) Status of the project - Completed /Ongoing
01	FY31.03. 2021_1	Building, Setting up of School	2020-21	Four Financial Years (including 2020-21)	3,41,19,446 has been allocated out of CSR funds for the year 2020-21. The total outlay for the project is ₹ 600 Lacs with 15% contingencies.	Nil	21,00,000	On-going

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

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

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

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

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

Sr. No.	Name of the Project / Capital Asset	Date of creation or acquisition of the capital asset	Amount of CSR spent for creation or acquisition of capital asset (In ₹)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
1	Solar Panels	14-09-2021	25,50,000	Shree Mahavir Education Trust, Becharaji-Sankhalpur Road, Sankhalpur, Becharaji -384210, Mehsana	Ratnamani Campus, Becharaji-Sankhalpur Road, Sankhalpur, Becharaji -384210, Mehsana
2	Animal Ambulance Van	23-12-2021	6,44,848	Jivdaya Charitable Trust Inside Panjrapole Campus, Near Panjrapole Cross Road, Opp-Govt Polytechnis, Ambawadi, Ahmedabad - 380015	Inside Panjrapole Campus, Near Panjrapole Cross Road, Opp-Govt Polytechnis, Ambawadi, Ahmedabad - 380015
3	Auditorium Hall	14-03-2022	1,71,00,000	Veerayatan, Jakhania, Bhuj-Mandvi Road, Ta - Mandavi, Kutch - 370460	Jakhania, Bhuj-Mandvi Road, Ta - Mandavi, Kutch - 370460
4	Indrad Auditorium Hall	11-02-2022	44,55,264	Gandhi Ashram Jilla Trust, Village Indrad, Ta- Kalol, Gandhinagar - 380007	Gandhi Ashram Jilla Trust, Village Indrad, Ta- Kalol, Gandhinagar - 380007
5	Medical Lab	04-03-2022	20,00,000	Rotary Club of Gandevi, Gandevi Charitable Trust, Kacholi, Ta- Gandevi, Navsari-396310	Gandevi Charitable Trust, Kacholi, Ta- Gandevi, Navsari-396310

Board's Report (Contd...)

Sr. No.	Name of the Project / Capital Asset	Date of creation or acquisition of the capital asset	Amount of CSR spent for creation or acquisition of capital asset (In ₹)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
6	MCS Blood Bank Testing Machinery	28-03-2022	35,16,800	Red Cross Society, J L Thakore Red Cross Bhavan, 18, Gujarat Bhramkshyatriya Society, Paldi, Ahmedabad-380007	J L Thakore Red Cross Bhavan, 18, Gujarat Bhramkshyatriya Society, Paldi, Ahmedabad-380007
7	Desktop Computer Sets	29-03-2022	6,30,120	Arjuna Vidhyala, Shree Arjun Education Rural Development Trust, Anjar, Bhimasar - Kutch	Shree Arjun Education Rural Development Trust, Anjar, Bhimasar - Kutch
8	Sanitation Units (Toilet Units)	15-03-2022	3,60,361	Gram Panchayat, Village Vadnagarpura, Post Chhatral, Ta- Kalol, Gandhinagar - 382729	Village Vadnagarpura, Post Chhatral, Ta- Kalol, Gandhinagar - 382729
9	Drinking Water Dispenser	12-08-2021	8,800	Pansar Primary Health Centre, Nr. Gram Panchayat Bus Stand, Kalol, Gandhinagar - 382740	Pansar Primary Health Centre, Nr. Gram Panchayat Bus Stand, Kalol, Gandhinagar - 382740
10	Building of School Room	17-03-2022	90,500	Eklavya School, Kutch Village Bhimasar, Chakasar, Ta: Anjar, Kutch-370110	Eklavya School, Kutch Village Bhimasar, Chakasar, Ta: Anjar, Kutch-370110

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

The Company has spent the entire CSR Budget for the Financial Year 2021-22 save and except to the extent the same pertains to the on-going projects as defined in the CSR Policy.

PRAKASH M. SANGHVI
Managing Director
(DIN: 00006354)

PRAVINCHANDRA M. MEHTA
Chairman CSR Committee
(DIN: 00012410)

Place: Village: Indrad, Taluka: Kadi
Date: May 18, 2022

ANNEXURE – E

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

1. **The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:**

Sr. No.	Name of Directors / KMPs and Designation	% increase in Remuneration in the F.Y. 2021-22	Ratio of Remuneration of each Director to median remuneration of employees
1.	Shri Prakash M. Sanghvi, Chairman & Managing Director	10.89	631.03
2.	Shri Jayanti M. Sanghvi, Joint Managing Director	10.71	399.52
3.	Shri Shanti M. Sanghvi, Whole Time Director	10.70	278.23
4.	Shri Pravinchandra M. Mehta, Independent Director	260.00	4.80 (*)
5.	Shri Divyabhash C. Anjaria, Independent Director	192.86	5.47 (*)
6.	Dr. Vinodkumar M. Agrawal, Independent Director	151.92	4.37 (*)
7.	Smt. Nidhi G. Gadhecha, Independent Director	150.00	3.00 (*)
8.	Shri Vimal Katta, Chief Financial Officer	12.16	Not Applicable
9.	Shri Anil Maloo, Company Secretary	Not Comparable (**)	Not Applicable

(*) Remuneration includes Commission and Sitting Fees to Independent Directors.

(**) Shri Anil Maloo was appointed as a Company Secretary w.e.f. January 01, 2021, hence, not comparable.

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	14.94%
3	No. of permanent employees on the rolls of Company as on March 31, 2022	2,372
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. 2021-22 was 14.94% whereas there is an increase in the managerial remuneration for the same financial year at 11.34% The changes in salaries are decided based on the domestic and international Micro and Macro Economic conditions, Company's performance, individual performance, inflation, prevailing industry trends and other benchmarks.
5	Affirmation that the remuneration is as per the Remuneration Policy of the Company	It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Note - 2:

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

Board's Report (Contd...)

Note - 3:

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

For and on behalf of the Board of Directors

PRAKASH M. SANGHVI
Chairman and Managing Director
DIN: 00006354

Place: Village: Indrad, Taluka: Kadi
Date: May 18, 2022

Annexure – "F"

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on March 31, 2022 according to the provisions of:

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

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

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

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

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

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

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

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

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

  (e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; (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, 2018; (Not applicable to the Company during the Audit Period)

Board's Report (Contd...)

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

(a) Indian Boilers Act, 1923.

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

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

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

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

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

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

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

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

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

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

1. *There was a delay in furnishing prior intimation about the meeting of the board of directors by 2 days under Regulation 29(2) and a monetary fine of ₹ 10,000/- plus GST (₹ 11,800/-) under SEBI-SOP was paid by the Company to each of BSE Limited and National Stock Exchange of India Limited on July 28, 2021 and the Board has taken note of same at its Meeting held on August 06, 2021.*

We further report that

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

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

There were no dissenting views on any matter.

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

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

1. The 37th Annual General Meeting of the members of the Company was held on September 27, 2021 through VC/OAVM in terms of MCA General Circular nos. 14/2020 Dated April 8, 2020, 17/2020 Dated April 13, 2020, 20/2020 Dated May 05, 2020 and 02/2021 Dated January 13, 2021.

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

Mahesh C Gupta
Proprietor
FCS: 2047 (CP. 1028)
Peer Review: 579/2019
UDIN: F002047D000338427

Place: Ahmedabad
Date: May 18, 2022

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 nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Mahesh C Gupta
Proprietor
FCS: 2047 (CP. 1028)
Peer Review: 579/2019
UDIN: F002047D000338427

Place: Ahmedabad
Date: May 18, 2022

Board's Report (Contd...)

ANNEXURE – G

FORM NO. AOC -2

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

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

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

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

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

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

For and on behalf of the Board of Directors

PRAKASH M. SANGHVI
Chairman and Managing Director
DIN: 00006354

Place: Village: Indrad, Taluka: Kadi
Date: May 18, 2022

Independent Auditor's Report

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

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of Ratnamani Metals And Tubes Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act"), in the manner so required, and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Independent Auditor's Report (Contd.)

S. No.	Key Audit Matter	Auditor's Response
1.	**Recoverability of Trade Receivables** Year-end outstanding trade receivables represent balance outstanding from domestic and export customers Trade receivables by nature carry certain risks in general which include overdue balances, customers in weaker economic and geopolitical environment, customer's ability to pay, provision in relation to expected credit loss, assessment of recovery process and compliance with risk management controls. Procedures to mitigate such risks include element of management judgement and are important to assess recoverability of trade receivables. Trade receivables has been considered a key audit matter in the audit due to size of the outstanding balances of trade receivables amounting to ₹60,075.53 lakh (Refer Note 06 of Financial Statements)	Our audit procedures among the other things, included the following: • 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 receivable. • Tested on a sample basis the ageing of trade receivables at year end • In respect of material trade receivables, 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 or any impact on account of recent Russia-Ukraine warfare, and assessed expected credit loss assessment provided and impact considered by the management • Assessing the reasonability of judgments exercised and estimates made by management in recognition of these receivables and validating them with corroborating evidence • Compared the collateral in the nature of bank guarantee/letter of credits provided by customers Obtained confirmations from customers on sample basis to support existence assertion of trade receivables • Evaluated the level of provisions made by management for trade receivables

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to the Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 communicate the matter to those charged with governance as required under SA 720 'The Auditors' responsibilities relating to other Information'. We have nothing to report in this regard.

Management's responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act and the rules thereunder, 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of

Independent Auditor's Report (Contd.)

our audit work and in evaluating the results of our work: and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' 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, 2020 ('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 A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, based on our audit, we report that:

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

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

   (c) The Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the standalone financial statements comply with the Ind AS specified under section 133 of the Act and the Rules thereunder, as amended.

   (e) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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 the financial statements and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B' to this report.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended, we report that to the best of our information and according to the explanations given to us, remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of 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, in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Please refer Note No. 26 (b).

      (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;

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

      (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as provided in (a) and (b) above, contain any material misstatement.

(v) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 9 to the standalone Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section123 of the Act to the extent it applies to declaration of dividend.

For Kantilal Patel & Co.
Chartered Accountants
Firm's Registration No.: 104744W

per Jinal A. Patel
Partner
Membership No.: 153599
UDIN : 22153599AJEEJZ4723

Place : Ahmedabad
Date : May 18, 2022

Annexure A to Independent Auditor's Report

Annexure A to the Independent Auditor's Report of even date on the Standalone Financial Statements of Ratnamani Metals And Tubes Limited

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date to the members of Ratnamani Metals And Tubes Limited)

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and the records examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and the relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The majority of Property, Plant and Equipment have been physically verified by the management during the year and 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) Based on our examination of the property tax receipts and lease agreement(s) for assets on lease, registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the standalone financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks on the basis of security of current assets. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of account of the Company.

(iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnerships or any other parties covered in the register maintained under section 189 of the Act. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(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, reporting under clause 3(v) of the Order is not applicable to the Company.

(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 Act, 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) In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, to the appropriate authorities.

Annexure A to Independent Auditor's Report (Contd.)

(b) There were no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, in arrears as at March 31, 2022 for a period of more than six months from the date they became payable except the following:

Name of the Statute	Nature of the dues	Amount involved (₹ in Lakhs)	Amount unpaid (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Duty and Penalty	14.38	13.22	April 2012 to February 2015	Commissioner (Appeals)
		3,444.04	3,444.04	FY 2005-07	Supreme Court
		204.17	193.43	March 2012 to March 2013	Central Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Tax Interest And Penalty	217.27	217.27	FY 2008-09	Hon'ble High court of Bombay
		212.78	205.99	FY 2014-15	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 (Service Tax)	Tax Interest And Penalty	66.05	66.05	April 2016 to June 2017	Assistant Commissioner
		176.13	166.86	FY 2013-14	Central Excise and Service Tax Appellate Tribunal
Employee State Insurance Scheme	Tax	463.32	463.32	November 1991 to March 2021	Hon'ble High Court of Gujarat

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961).

(ix) (a) The Company is regular in repayment of loans or other borrowings or in payment of interest thereon to lenders.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.

(c) The Company has utilised the money obtained by way of term loans during the year for the purpose for which they were obtained.

(d) According to the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary.

(x) (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

(c) As represented to us by the management of the Company, there are no whistle blower complaints received by the Company during the year.

Annexure A to Independent Auditor's Report (Contd.)

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion, the Company is in compliance with Section 177 and Section 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accoounting standards.

(xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion, during the year, the Company has not entered into non-cash transactions with directors or persons connected with its directors, and hence, provisions of section 192 of Act are not applicable to the Company.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clauses 3(xvi)(a), (b), and (c) of the Order is not applicable to the Company.

(b) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Hence, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the board of directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with the second proviso to sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred unpent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a special account within a period of thirty days from the end of the financial year in compliance with the provisions of sub-section (6) of Section 135 of the Act.

For Kantilal Patel & Co.
Chartered Accountants
Firm's Registration No.: 104744W

per Jinal A. Patel
Partner
Membership No.: 153599
UDIN : 22153599AJEEJZ4723

Place : Ahmedabad
Date : May 18, 2022

Annexure B to Independent Auditor's Report

Annexure B to the Independent Auditor's Report of even date on the Standalone Financial Statements of Ratnamani Metals And Tubes Limited

Referred to in paragraph 1(f) under 'Report on other legal and regulatory requirements' section of our report of even date to the members of Ratnamani Metals And Tubes Limited.

Report on the internal financial controls with reference to the standalone financial statements under section 143(3)(i) of the Act

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the SAs prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of internal financial controls over financial reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the standalone 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 (iii) 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 standalone financial statements.

Annexure B to Independent Auditor's Report (Contd.)

Inherent limitations of internal financial controls over financial reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to the standalone financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 issued by the ICAI.

For Kantilal Patel & Co.
Chartered Accountants
Firm's Registration No.: 104744W

per Jinal A. Patel
Partner
Membership No.: 153599
UDIN : 22153599AJEEJZ4723

Place : Ahmedabad
Date : May 18, 2022

Standalone Balance Sheet
As at 31st March, 2022

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	87,352.43	86,437.45
Capital work-in-progress	3	10,679.23	7,632.35
Intangible assets	3	110.64	73.33
Financial assets	4		
Investments		6.08	6.08
Loans		5.48	9.95
Other financial assets		340.68	1,105.12
Other non-current assets	8	1,287.24	945.69
Total non-current assets		**99,781.78**	**96,209.97**
Current assets			
Inventories	5	1,11,197.17	53,688.71
Financial assets			
Investments	4	10,854.48	63,651.31
Trade receivables	6	60,075.53	40,257.31
Cash and cash equivalents	7 (a)	4,248.14	4,252.37
Other balances with banks	7 (b)	-	1,140.00
Loans	4	19.23	20.03
Other financial assets	4	2,764.91	623.49
Other current assets	8	7,182.76	1,709.43
Total current assets		**1,96,342.22**	**1,65,342.65**
TOTAL ASSETS		**2,96,124.00**	**2,61,552.62**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	9	934.56	934.56
Other equity	10	2,23,758.86	1,97,712.57
Total equity		**2,24,693.42**	**1,98,647.13**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	11	9,626.82	14,558.23
Lease liabilities	26 (a)	805.47	918.38
Other financial liabilities	14	211.65	812.01
Deferred tax liabilities (net)	12	4,203.10	3,933.99
Total non-current liabilities		**14,847.04**	**20,222.61**
Current liabilities			
Financial liabilities			
Borrowings	11	5,201.43	5,161.04
Lease liabilities	26 (a)	112.91	90.60
Trade payables	13		
- Total outstanding dues of micro enterprises and small enterprises		1,120.70	900.59
- Total outstanding dues of creditors other than micro enterprises and small enterprises		30,376.09	23,350.43
Other financial liabilities	14	2,308.51	4,852.37
Other current liabilities	15	16,438.61	5,940.40
Provisions	16	216.69	220.63
Current tax liabilities (net)	17	808.60	2,166.82
Total current liabilities		**56,583.54**	**42,682.88**
Total liabilities		**71,430.58**	**62,905.49**
TOTAL EQUITY AND LIABILITIES		**2,96,124.00**	**2,61,552.62**
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 KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : May 18, 2022

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

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

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Place : Village Indrad, Taluka Kadi
Date : May 18, 2022

Standalone Statement of Profit & Loss
For the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Notes	Year Ended 31st March, 2022	Year Ended 31st March, 2021
INCOME			
Revenue from operations	18	3,13,877.72	2,29,813.15
Other income	19	3,754.76	4,340.75
Total income		**3,17,632.48**	**2,34,153.90**
EXPENSES			
Cost of raw materials and components consumed	20	2,32,463.48	1,35,984.44
Changes in inventories of finished goods and work-in-progress	21	(22,075.00)	11,153.67
Employee benefits expenses	22	15,791.96	14,083.35
Finance costs	23	2,135.82	2,290.02
Depreciation and amortisation expenses	3	8,020.61	5,685.36
Other expenses	24	38,226.50	28,619.46
Total expenses		**2,74,563.37**	**1,97,816.30**
Profit before tax		**43,069.11**	**36,337.60**
TAX EXPENSE			
Current tax	12	10,822.67	8,518.89
Excess provision for current tax of earlier years		(158.74)	(605.41)
Deferred tax	12	165.93	834.14
Total tax expense		**10,829.86**	**8,747.62**
Net profit for the year		**32,239.25**	**27,589.98**
Other comprehensive income			
a) Items that will not be reclassified to profit and loss in subsequent periods			
Re-measurement gain on defined benefit plans	12	56.39	198.87
Income tax effect		(14.19)	(50.05)
		42.20	**148.82**
b) Items that will be reclassified to profit and loss in subsequent periods			
Net movement in cash flow hedge reserve		409.94	125.68
Income tax effect		(103.18)	(31.63)
		306.76	**94.05**
Total other comprehensive income for the year, net of tax		**348.96**	**242.87**
Total comprehensive income for the year, net of tax		**32,588.21**	**27,832.85**
Earnings per equity share [nominal value per share ₹ 2/- (31st March, 2021: ₹ 2/-)]	31		
Basic & Diluted		68.99	59.04
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 KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : May 18, 2022

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

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

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Place : Village Indrad, Taluka Kadi
Date : May 18, 2022

Standalone Statement of Change in Equity

For the year ended 31st March, 2022

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each issued, subscribed and fully paid	No. in Lakhs	₹ in Lakhs
As at April 01, 2020	467.28	934.56
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2020	467.28	934.56
Issue of Equity Share Capital	-	-
As at March 31, 2021	467.28	934.56
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2021	467.28	934.56
Issue of Equity Share Capital	-	-
As at March 31, 2022	**467.28**	**934.56**

B. OTHER EQUITY (REFER NOTE-10)

(₹ in Lakhs)

Particulars	Reserves & Surplus					Other Comprehensive Income	Total Other Equity
	Securities Premium	Capital Reserve	Amalgamation Reserve	General Reserve	Retained Earnings	Cash Flow Hedge Reserve	
As at April 01, 2020	2,279.06	490.04	392.11	72,625.16	94,694.09	(600.74)	1,69,879.72
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance as at April 01, 2020	2,279.06	490.04	392.11	72,625.16	94,694.09	(600.74)	1,69,879.72
Profit for the year	-	-	-	-	27,589.98	-	27,589.98
Other Comprehensive Income :							
Re-measurement loss on defined benefit plans (net of tax)	-	-	-	-	148.82	-	148.82
Net movement in cash flow hedge reserve (net of tax)	-	-	-	-	-	94.05	94.05
Total Comprehensive Income	-	-	-	-	27,738.80	94.05	27,832.85
As at March 31, 2021	**2,279.06**	**490.04**	**392.11**	**72,625.16**	**1,22,432.89**	**(506.69)**	**1,97,712.57**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance as at April 01, 2021	2,279.06	490.04	392.11	72,625.16	1,22,432.89	(506.69)	1,97,712.57
Profit for the year	-	-	-	-	32,239.25	-	32,239.25
Other Comprehensive Income :							
Re-measurement gain on defined benefit plans (net of tax)	-	-	-	-	42.20	-	42.20
Net movement in cash flow hedge reserve (net of tax)	-	-	-	-	-	306.76	306.76
Total Comprehensive Income	-	-	-	-	32,281.45	306.76	32,588.21
Dividend paid (refer note-10)	-	-	-	-	(6,541.92)	-	(6,541.92)
As at 31st March, 2022	**2,279.06**	**490.04**	**392.11**	**72,625.16**	**1,48,172.42**	**(199.93)**	**2,23,758.86**

As per our report of even date
For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : May 18, 2022

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

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

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Place : Village Indrad, Taluka Kadi
Date : May 18, 2022

Standalone Statement of Cash Flow

For the Year Ended 31st March, 2022

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	43,069.11	36,337.60
Adjustments to reconcile profit before tax to net cash flows:		
Gain on Sale/Discard of property, plant and equipment & Capital Work-in-Progress (net)	(31.91)	(16.39)
Depreciation and amortisation expense	8,020.61	5,685.36
Interest income and fair value changes in financial instruments	(2,243.62)	(2,789.21)
Unrealised Foreign Exchange (Gain)/Loss	(196.32)	111.77
Provision for doubtful debts (net)	(3.65)	(120.89)
Excess provision/liabilities no longer payable written back	(7.22)	(50.53)
Interest expense	1,727.80	2,016.96
Operating Profit before working capital changes	**50,334.80**	**41,174.67**
Working capital adjustments:		
(Increase) in trade receivables	(19,559.13)	(3,087.05)
(Increase)/Decrease in inventories	(57,508.46)	32,232.39
Decrease in loans	5.27	9.52
(Increase) in other financial assets	(199.58)	(158.81)
(Increase)/Decrease in other non-financial assets	(5,475.41)	5,397.73
Increase/(Decrease) in trade payables	7,206.99	(2,216.20)
Increase/(Decrease) in other liabilities	10,498.21	(15,025.40)
(Decrease)/Increase in other financial liabilities	(329.84)	2,044.22
Increase/(Decrease) in provisions	52.45	(147.91)
Cash generated from operations	**(14,974.70)**	**60,223.16**
Direct taxes paid (net)	(12,199.32)	(5,698.60)
Net Cash generated from operating activities	**(27,174.02)**	**54,524.56**
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets (including CWIP and capital advances)	(14,446.57)	(12,985.60)
Proceeds from sale of property, plant and equipment	80.27	89.03
Sales/(Purchase) of current investments (net)	52,796.83	(48,167.67)
Proceeds from Deposits With Banks (net)	-	10,617.23
Interest income	2,206.22	3,446.30
Net Cash used in investing activities	**40,636.75**	**(47,000.71)**

Standalone Statement of Cash Flow

For the Year Ended 31st March, 2022

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
C: CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from long term borrowings	-	2,500.00
Repayment of long term borrowings	(4,995.90)	(4,034.68)
Repayment of short term borrowings (net)	(79.61)	(4,356.04)
Dividend paid	(6,541.92)	-
Payment of principal portion of lease liabilities	(90.60)	(82.38)
Interest paid (Including Interest Payment on lease liabilities)	(1,745.81)	(1,905.40)
Net Cash generated/(used in) from financing activities	**(13,453.84)**	**(7,878.50)**
Net Increase/(Decrease) in Cash and Cash Equivalents	**8.89**	**(354.65)**
Effect of Exchange difference on Cash and Cash equivalents held in foreign currency	(13.12)	13.24
Cash and Cash Equivalents at the beginning of the year	4,252.37	4,593.78
Cash and Cash Equivalents at the end of the year (refer note-7 (a))	**4,248.14**	**4,252.37**

Notes:

a) The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

b) Disclosure of change in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are given below:

(₹ in Lakhs)

Particulars	As at 1st April, 2020	Cash flows	Foreign exchange movement	Changes in Fair Value	Other Changes#	As at 31st March, 2021
Long term borrowings	17,562.51	(3,460.56)	456.38	-	-	14,558.33
Short term borrowings	7,591.10	(2,430.06)	-	-	-	5,161.04
Interest	233.58	(1,905.40)	-	-	1,902.14	230.32
Lease liabilities	1,091.36	(82.38)	-	-	-	1,008.98
Total	**26,478.55**	**(7,878.40)**	**456.38**	**-**	**1,902.14**	**20,958.67**

Particulars	As at 1st April, 2021	Cash flows	Foreign exchange movement	Changes in Fair Value	Other Changes#	As at 31st March, 2022
Long term borrowings	14,558.33	(5,116.00)	184.49	-	-	9,626.82
Short term borrowings	5,161.04	40.39	-	-	-	5,201.43
Interest	230.32	(1,745.81)	-	-	1,688.34	172.85
Lease liabilities	1,008.98	(90.60)	-	-	-	918.38
Total	**20,958.67**	**(6,912.02)**	**184.49**	**-**	**1,688.34**	**15,919.48**

Other changes in interest accrued represents accrual of Interest during the year.

As per our report of even date
For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : May 18, 2022

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

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

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Place : Village Indrad, Taluka Kadi
Date : May 18, 2022

Notes to Standalone Financial Statements

For the Year Ended 31st March, 2022

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 authorised for issue in accordance with a resolution passed in Board Meeting held on May 18, 2022.

2. BASIS OF PREPARATION:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) including the Companies (Indian Accounting Standards) Amendment Rules, 2019 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements of the Company.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments) and derivative financial instruments.

The financial statements are presented in ₹ and all values are rounded to the nearest Lakhs (₹ 00,000), except where otherwise indicated.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. CURRENT VERSUS NON-CURRENT CLASSIFICATION:

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve month as its operating cycle.

b. FOREIGN CURRENCIES:

The Company's financial statements are presented in ₹, which is also the Company's functional currency. The Company determines the functional currency and items included in the financial statements are measured using that functional currency

Transactions and balances

Transactions in foreign currencies are initially recorded in the Company's functional currency at the exchange rates prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are restated in the functional currency at the exchange rates prevailing on the reporting date of financial statements.

Exchange differences arising on settlement of such transactions and on translation of monetary items are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates on the dates of the initial transactions.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

c. **FAIR VALUE MEASUREMENT:**

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative financial instruments and unquoted financial assets measured at fair value, and for non- recurring fair value measurement.

External valuers are involved for valuation of significant assets, such and unquoted financial assets. Involvement of external valuers is decided upon annually by the Management after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

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

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

computation to contracts and other relevant documents.

The Management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant accounting judgements, estimates and assumptions (refer note 33 and 34)
- Quantitative disclosures of fair value measurement hierarchy (refer note 33.2)
- Financial instruments (including those carried at amortised cost) (refer note 33.1)

d. PROPERTY, PLANT AND EQUIPMENT (PPE):

PPE and Capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and borrowing costs if capitalisation criteria are met, the cost of replacing part of the property, plant and equipment and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhauling is performed, its cost is recognised in the carrying amount of the PPE as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of parts replaced, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

CWIP comprises of cost of PPE that are yet not installed and not ready for their intended use at the Balance Sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if applicable.

The Company calculates depreciation on items of property, plant and equipment on a straight-line basis using the rates arrived at based on the useful lives defined under Schedule II of the Companies Act, 2013, except in respect of following fixed assets:

(i) Long Term Lease hold land is amortised over a period of 99 years, being the lease term

(ii) Furnace and X-ray machines are depreciated at an annual rate of 20% to bring the depreciation rates in line with the useful life of assets as estimated by the Technical Team of the Company

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

e. INTANGIBLE ASSETS:

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost, less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets in the form of software are amortised on a straight-line basis over six years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

f. BORROWING COSTS:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

g. IMPAIRMENT OF NON-FINANCIAL ASSETS:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

h. LEASES:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee:

I. Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Assets	Estimated Useful Life
Right-of-use of office premises and leasehold land	Over the balance period of lease agreement

If ownership of the leased asset transfers to the Company at the end of the lease term or

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in relating to Impairment of non-financial assets.

II. Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

III. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment, offices and windmills (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value amounting to ₹2 Lakhs. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

IV. Leases previously classified as finance leases

The Company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for lease previously classified as finance leases, i.e. the right to use of assets and lease liabilities equal to the lease assets and liabilities recognised under Ind AS 17. The requirements of Ind AS 116 was applied to those leases from 1st April, 2019.

i. FINANCIAL INSTRUMENTS:

A Financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.1(k) Revenue from contracts with customers.

Subsequent measurement

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

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

- Financial assets instruments at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL) (Derivatives and Equity Instruments)

Financial assets at amortised cost (debt instruments)

A 'financial assets' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade, loans and other receivables.

Financial Assets at FVTOCI

Financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value, recognised in other comprehensive income (OCI).

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the asset that give rise on specified dates to cash flows that represent solely payment of principal and interest

Financial Assets at FVTPL

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and investments in equity instruments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on such investments are recognised in the statement of profit and loss when the right of payment has been established.

Financial Assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of Profit and Loss.

Equity investments

Investments in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements. All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the 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 recognised in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company 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

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions – see note 2.2
- Financial Assets at FVTPL – see note 2.1 (i)
- Trade receivables and contract assets – see note 6 and 2.1(k)

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default over the expected life of a financial instrument.

The Company considers a financial asset in default when contractual payments are overdue. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

The Balance Sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities & Equity Instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit facilities from banks and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

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

Financial liabilities at fair value through Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through statement of Profit and Loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial 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.

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

j. INVENTORIES:

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Scrap is valued at net realisable value. Cost is determined on a Weighted Average method.

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, incurred in bringing them in their respective present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to make the sale.

k. REVENUE:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 0 to 180 days upon delivery, usually backed by financial arrangements in some cases.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of GST, trade discounts & other taxes, adjustments for late delivery charges and material returned/rejected.

Variable Consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right of liquidated damages. The liquidated damages give rise to variable consideration.

The Company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less

ii) The Company accounts for pro forma credits, refunds of duty of customs or refunds of sales tax in the year of admission of such claims by the concerned authorities. Benefits in respect of Export Licenses are recognised on application. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same

iii) Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend

iv) Interest Income is recognised on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss

v) Revenue from windmills is recognised on unit generation basis, in accordance with the terms of power purchase agreements

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (i) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities (Advance from customers)

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities (advance from customers) are recognised as revenue when the Company performs under the contract.

l. RETIREMENT AND OTHER EMPLOYEE BENEFITS:

Retirement benefits in the form of provident fund and superannuation fund are defined contribution plans. The Company has no obligation, other than the contributions payable to provident fund and 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

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

each reporting date being carried out using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs; and
- Net interest expense or income

The liability in respect of unused leave entitlement of the employees as at the reporting date is determined on the basis of an independent actuarial valuation carried out and the liability is recognised in the Statement of Profit and Loss. The Company presents the entire leave as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Actuarial gain and loss is recognise in full in the period in which they occur in the Statement of Profit and Loss.

m. TAXES:

Tax expense comprises of current income tax and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable Profit and Loss
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against the deductible temporary differences, except

- When the deferred tax asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity

n. PROVISIONS:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

o. DERIVATIVE FINANCIAL INSTRUMENTS:

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks, interest rate, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

p. EARNINGS PER SHARE:

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

q. CASH AND CASH EQUIVALENT:

Cash and cash equivalents in the Balance Sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of charges in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

r. CASH DIVIDEND:

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.2 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgement, which have the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal and termination options – Company as lessee.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Revenue from contracts with customers

The Company applied the following judgement that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining method to estimate variable consideration and assessing the constraint.

Certain contracts with customers include Liquidated Damages that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which customer will be entitled. The Company determined that the expected value method is the appropriate method to use in estimating the variable consideration for revenue from contract with customer. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract with the customer. Before adjusting any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

Further details about gratuity obligations are given in note 25.

Useful Life of Property Plant & Equipment and Intangible assets

Property, Plant and Equipment and Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

Fair value measurement for financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 33 and 34 for further disclosures.

2.3 AMENDMENTS TO SCHEDULE III OF THE COMPANIES ACT, 2013:

Ministry of Corporate Affairs (MCA) issued notifications dated March 24, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting April 01, 2021 and applied to the standalone financial statements:

a. Lease liabilities separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current

b. Certain additional disclosures in the standalone Statement of Changes in Equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

c. Additional disclosure for shareholding of promoters

d. Additional disclosure for ageing schedule of trade receivables, trade payables, capital work-in-progress

e. Specific disclosure such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in the name of the Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties etc

f. Additional disclosures relating to Corporate Social Responsibility (CSR) and undisclosed income

2.4 RECENT ACCOUNTING PRONOUCEMENTS ISSUED BUT NOT YET EFFECTIVE:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from April 01, 2022.

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are not expected to have a material impact on the Company.

(ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are not expected to have a material impact on the Company.

(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are not expected to have a material impact on the Company.

(iv) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial Liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are not expected to have a material impact on the Company

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

3. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Right of Use		Freehold land	Buildings	Plant & Machinery	Furniture & fixture	Vehicles	Office equipment	Total
	Leasehold land	Office Premises							
Cost									
As at April 01, 2020	42.57	1,167.42	4,433.89	12,019.77	57,185.62	857.01	2,223.76	758.77	78,688.81
Additions	-	-	450.55	7,331.31	34,119.02	56.96	179.20	132.23	42,269.27
Disposals	-	-	-	-	49.31	-	228.13	0.54	277.98
As at March 31, 2021	42.57	1,167.42	4,884.44	19,351.08	91,255.33	913.97	2,174.83	890.46	1,20,680.10
Additions	-	-	1,371.30	1,841.82	5,812.01	4.34	283.36	105.46	9,418.29
Disposals	-	-	-	-	532.44	50.31	116.90	45.07	744.72
As at March 31, 2022	**42.57**	**1,167.42**	**6,255.74**	**21,192.90**	**96,534.90**	**868.00**	**2,341.29**	**950.85**	**1,29,353.67**
Depreciation/Amortisation and Impairment									
As at April 01, 2020	3.08	87.52	-	1,991.46	25,307.42	309.78	712.34	363.44	28,775.04
Depreciation/Amortisation for the year	3.09	138.75	-	494.50	4,561.51	72.59	278.37	124.14	5,672.95
Disposals	-	-	-	-	46.76	-	158.08	0.50	205.34
As at March 31, 2021	6.17	226.27	-	2,485.96	29,822.17	382.37	832.63	487.08	34,242.65
Depreciation/Amortisation for the year	3.08	138.75	-	768.06	6,587.27	75.77	292.42	136.52	8,001.87
Disposals	-	-	-	-	71.72	47.85	82.47	41.24	243.28
As at March 31, 2022	**9.25**	**365.02**	**-**	**3,254.02**	**36,337.72**	**410.29**	**1,042.58**	**582.36**	**42,001.24**
Net Block									
As at March 31, 2022	**33.32**	**802.40**	**6,255.74**	**17,938.88**	**60,197.18**	**457.71**	**1,298.71**	**368.49**	**87,352.43**
As at March 31, 2021	36.40	941.15	4,884.44	16,865.12	61,433.16	531.60	1,342.20	403.38	86,437.45

i) Buildings includes ₹ 47.80 Lakhs (March 31, 2021 ₹ 47.80 Lakhs) representing cost of unquoted fully paid shares held in co-operative housing societies.

ii) All immovable property is held in the name of the Company.

(b) Intangible Assets

(₹ in Lakhs)

Particulars	Software
Cost	
As at April 01, 2020	242.39
Additions	8.12
As at March 31, 2021	250.51
Additions	56.11
Disposals	1.03
As at March 31, 2022	**305.59**
Amortisation and Impairment	
As at April 01, 2020	164.77
Amortisation for the year	12.41
As at March 31, 2021	177.18
Amortisation for the year	18.74
Disposals	0.97
As at March 31, 2022	**194.95**
Net Block	
As at March 31, 2022	**110.64**
As at March 31, 2021	73.33

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

(c) Capital work-in-progress

(₹ in Lakhs)

Particulars	Amount
As at March 31, 2022	**10,679.23**
As at March 31, 2021	7,632.35

Capital work in progress (CWIP) Ageing Schedule

As at March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year`	1-2 years	2-3 years	More than 3 year	
Projects in progress	7,100.04	3296.27*	13.96*	173.31*	10,583.58
Projects temporarily suspended	-	-	-	95.65**	95.65
Total	**7,100.04**	**3,296.27**	**13.96**	**268.96**	**10,679.23**

As at March 31, 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year`	1-2 years	2-3 years	More than 3 year	
Projects in progress	5,158.87	2130.42*	19.34*	228.07*	7,536.70
Projects temporarily suspended	-	-	-	95.65**	95.65
Total	**5,158.87**	**2,130.42**	**19.34**	**323.72**	**7,632.35**

CWIP completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan: None (March 31, 2021 : None).

* The Company has acquired certain Plant & Machineries to be used in the CAPEX in future, when finalised.

** This represents value after providing for impairment in earlier years.

4. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Investments		
Trade Investments (at Cost)		
Investment in unquoted Equity Shares of Subsidiary Company		
10,000 (March 31, 2021-10,000) 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)		
Nil (March 31, 2021: 13,947.339) Units of DSP Mutual Fund Growth	-	410.21
325,658.086 (March 31, 2021: 217,609.654) Units of SBI Liquid Fund Direct Growth	10,854.48	7,010.53
Nil (March 31, 2021: 11,72,813.654) Units of Baroda Liquid Fund Plan B Direct Growth	-	32,789.11
Nil (March 31, 2021: 13,510.265) units of LIC MF Liquid Fund Direct Growth	-	504.86
Nil (March 31, 2021: 43,770.043) Units of Axis Liquid Fund - Direct Growth - CFDG	-	1,000.06
Nil (March 31, 2021: 883,617.241) units of Axis Treasury Advantage Fund - Direct Growth - TADG	-	21,936.54
	10,860.56	**63,657.39**
Current	10,854.48	63,651.31
Non-Current	6.08	6.08
	10,860.56	**63,657.39**
Aggregate value of Unquoted Investments	6.08	6.08
Aggregate book value of Quoted Mutual Funds	10,854.48	63,651.31
	10,860.56	**63,657.39**
Aggregate market value of Quoted Mutual Funds (refer note-33)	10,854.48	63,651.31

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Loans (Unsecured, Considered Good)		
Loans to employees	24.71	29.98
	24.71	**29.98**
Current	19.23	20.03
Non-Current	5.48	9.95
	24.71	**29.98**
Other Financial Assets		
Interest accrued	70.14	30.30
Security deposits	445.41	438.78
Margin money with banks	2,115.00	975.00
Financial assets at fair value through OCI:		
Cash flow hedges		
Currency and interest rate swaps	195.37	-
Wind-Mill surplus receivable	134.31	86.14
Gratuity fund (refer note-25)	-	65.02
Others	145.36	133.37
	3,105.59	**1,728.61**
Current	2,764.91	623.49
Non-Current	340.68	1,105.12
	3,105.59	**1,728.61**

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)

Deposits aggregating to ₹ 2,115.00 Lakhs (March 31, 2021: ₹ 2,115.00 Lakhs) are pledged / lien against bank overdraft facility.

There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

a) repayable on demand; or

b) without specifying any terms or period of repayment.

5. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw materials		
Raw materials and components	62,090.85	30,073.96
Raw materials in transit	3,207.98	337.24
Work-in-progress	30,538.41	12,704.58
Finished goods		
Finished goods	7,407.85	5,622.68
Finished goods in transit	4,035.06	1,579.06
Stores and spares	3,917.02	3,371.19
	1,11,197.17	**53,688.71**

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

6. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured, considered good	12,776.25	5,775.62
Unsecured, considered good	47,299.28	34,481.69
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables - credit impaired	11.28	25.66
Total	**60,086.81**	**40,282.97**
Impairment Allowance (allowance for bad and doubtful debts)		
Trade receivables - credit impaired	11.28	25.66
Total trade receivables	**60,075.53**	**40,257.31**
Above includes :		
Receivables from related parties, unsecured, considered good (refer note-30)	154.74	99.89

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

Refer note 34 (b) for credit risk evaluation.

Following is the movement of allowance for expected credit losses of trade receivables: (₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
As at April 01	25.66	224.67
Provision for expected credit losses	7.11	8.97
Provision for expected credit losses utilised (refer note-24)	(10.73)	(78.12)
Provision for expected credit losses reversed	(10.76)	(129.86)
As at March 31	11.28	25.66

Trade receivables Ageing Schedule

As at March 31, 2022

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	40,048.80	15,213.12	4,457.35	356.26	-	-	60,075.53
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	11.28	-	-	11.28
Total (a)	**40,048.80**	**15,213.12**	**4,457.35**	**367.54**	**-**	**-**	**60,086.81**
Less:-							
Trade Receivables - credit impaired (b)							(11.28)
Total (a)-(b)							**60,075.53**

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

As at March 31, 2021

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	23,048.72	16,230.48	963.42	12.7	0.15	1.84	40,257.31
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	25.66	-	-	25.66
Total (a)	**23,048.72**	**16,230.48**	**963.42**	**38.36**	**0.15**	**1.84**	**40,282.97**
Less:-							
Trade Receivables - credit impaired (b)							(25.66)
Total (a)-(b)							**40,257.31**

7. CASH AND BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Cash and Cash Equivalents		
Balances with Banks		
In Current accounts	3,716.81	1,881.70
Deposits with original maturity of three months or less	-	2,200.00
Unpaid dividend accounts	160.00	151.05
Unpaid CSR fund	354.36	-
Cash on hand	16.97	19.62
	4,248.14	**4,252.37**
(b) Other balances with banks		
Deposits with original maturity of more than three months but less than twelve months	-	1,140.00
	4,248.14	**5,392.37**

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, 2022 (Contd.)

8. OTHER ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Capital advances	640.01	424.06
Investment in silver	0.84	0.84
Prepaid expense	366.11	315.16
Advance receivable in cash or kind		
Advance for material	710.03	1,033.57
Excise / GST claim receivables	676.94	28.09
Duty entitlement pass book / Import licenses	15.24	-
Balances with Government Authorities	5,290.30	331.25
Export benefits receivable	154.40	27.86
Others	6.82	8.50
	6,853.73	**1,429.27**
	7,860.69	**2,169.33**
Non-Current tax assets (net)	609.31	485.79
	8,470.00	**2,655.12**
Current	7,182.76	1,709.43
Non-Current	1,287.24	945.69
	8,470.00	**2,655.12**

9. SHARE CAPITAL

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. in Lakhs	₹ in Lakhs	No. in Lakhs	₹ in Lakhs
Authorised Share Capital	750.00	1,500.00	750.00	1,500.00
Increase/(decrease) during the year	-	-	-	-
	750.00	**1,500.00**	**750.00**	**1,500.00**

Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 2/- per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of Directors is subject to approval of the Shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by Share holders.

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. in Lakhs	₹ in Lakhs	No. in Lakhs	₹ in Lakhs
Issued Share Capital				
Equity shares of ₹ 2 each issued, subscribed and fully paid	467.28	934.56	467.28	934.56
Increase/(decrease) during the year	-	-	-	-
	467.28	**934.56**	**467.28**	**934.56**

The Board of Directors at its meeting held on May 18, 2022 has approved issue of bonus equity shares in the ratio of one equity share of ₹2.00 each for every two equity shares of ₹2.00 each held, subject to approval by the members of the Company.

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

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

Name of the Shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% held	No. of Shares	% held
Prakash M. Sanghvi	72,18,385	15.45%	72,18,385	15.45%
Jayanti M. Sanghvi	39,11,025	8.37%	39,11,025	8.37%
Nalanda India Fund Limited	28,50,155	6.10%	28,50,155	6.10%
Kotak Emerging Equity Scheme	23,35,257	5.00%	19,69,734	4.22%
L&T Mutual Fund Trustee Limited	18,92,069	4.05%	24,30,447	5.20%

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.

Details of shares held by promoters

As at March 31, 2022

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Prakash M. Sanghvi	72,18,385	-	72,18,385	15.45	-
	Jayanti M. Sanghvi	39,11,025	-	39,11,025	8.37	-
	Shantilal Mishrimal Sanghvi	18,16,995	-	18,16,995	3.89	-
	Reshmidevi P. Sanghvi	15,63,750	-	15,63,750	3.35	-
	Vimla Pavan Sanghvi	14,24,080	-	14,24,080	3.05	-
	Chunilal M. Sanghvi	12,71,010	-	12,71,010	2.72	-
	Manoj P. Sanghvi	9,69,495	-	9,69,495	2.07	-
	Nilesh Prakash Sanghvi	9,34,800	-	9,34,800	2.00	-
	Prashant J. Sanghvi	7,76,740	-	7,76,740	1.66	-
	Jigar Prakash Sanghvi	7,56,320	-	7,56,320	1.62	-
	Shantaben Babulal Sanghvi	5,28,915	-	5,28,915	1.13	-
	Babulal Mishrimal Sanghvi (HUF)	5,05,495	-	5,05,495	1.08	-
	Sanghvi Shantilal Mishrimal (HUF)	4,62,165	-	4,62,165	0.99	-
	Shobhnadevi Jayantilal Sanghvi	4,56,415	-	4,56,415	0.98	-
	Jayantilal M Sanghvi (HUF)	4,56,665	-	4,56,665	0.98	-
	Sanghvi Chunilal Mishrimal (HUF)	4,09,000	-	4,09,000	0.88	-
	Chandra Vijay Sanghvi	3,53,125	-	3,53,125	0.76	-
	Ravi Pavan Sanghvi	5,80,415	-	5,80,415	1.24	-
	Usha M. Sanghvi	2,59,830	-	2,59,830	0.56	-
	Shashi Shantilal Sanghvi	8,38,250	-	8,38,250	1.79	-
	Jitendra Babulal Sanghvi	2,47,160	-	2,47,160	0.53	-
	Dimple Manoj Sanghvi	2,12,500	-	2,12,500	0.45	-
	Yash Shantilal Sanghvi	3,12,000	-	3,12,000	0.67	-
	Sarika Prashant Sanghvi	1,75,000	-	1,75,000	0.37	-
	Pavan Sanghvi	6,58,165	-	6,58,165	1.41	-
	Babulal M. Sanghvi	1,39,330	-	1,39,330	0.30	-
	Pavankumar Mishrimal Sanghvi (HUF)	1,31,250	-	1,31,250	0.28	-
	Sanghvi Prakashmal Mishrimal (HUF)	5,07,330	-	5,07,330	1.09	-
	Vijay C. Sanghvi	50,810	-	50,810	0.11	-
	Pinky Jitendra Sanghvi	50,000	-	50,000	0.11	-
	Arunaben C. Sanghvi	45,205	-	45,205	0.10	-
	Mahendra C. Sanghvi	40,000	-	40,000	0.09	-
	Sheetal Nilesh Sanghvi	25,000	-	25,000	0.05	-
	Rishabh M. Sanghvi	25,000	-	25,000	0.05	-
Total		**2,81,11,625**	**-**	**2,81,11,625**	**60.16**	**-**

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

As at March 31, 2021

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Prakash M. Sanghvi	72,18,385	-	72,18,385	15.45	-
	Jayanti M. Sanghvi	39,11,025	-	39,11,025	8.37	-
	Shantilal Mishrimal Sanghvi	18,16,995	-	18,16,995	3.89	-
	Reshmidevi P. Sanghvi	15,63,750	-	15,63,750	3.35	-
	Vimla Pavan Sanghvi	14,24,080	-	14,24,080	3.05	-
	Chunilal M. Sanghvi	12,71,010	-	12,71,010	2.72	-
	Manoj P. Sanghvi	9,69,495	-	9,69,495	2.07	-
	Nilesh Prakash Sanghvi	9,34,800	-	9,34,800	2.00	-
	Prashant J. Sanghvi	7,76,740	-	7,76,740	1.66	-
	Jigar Prakash Sanghvi	7,56,320	-	7,56,320	1.62	-
	Shantaben Babulal Sanghvi	5,28,915	-	5,28,915	1.13	-
	Babulal Mishrimal Sanghvi (HUF)	5,05,495	-	5,05,495	1.08	-
	Sanghvi Shantilal Mishrimal (HUF)	4,62,165	-	4,62,165	0.99	-
	Shobhnadevi Jayantilal Sanghvi	4,56,415	-	4,56,415	0.98	-
	Jayantilal M Sanghvi (HUF)	4,56,665	-	4,56,665	0.98	-
	Sanghvi Chunilal Mishrimal (HUF)	4,09,000	-	4,09,000	0.88	-
	Chandra Vijay Sanghvi	3,53,125	-	3,53,125	0.76	-
	Ravi Pavan Sanghvi	5,80,415	-	5,80,415	1.24	-
	Usha M. Sanghvi	2,59,830	-	2,59,830	0.56	-
	Shashi Shantilal Sanghvi	8,38,250	-	8,38,250	1.79	-
	Jitendra Babulal Sanghvi	2,47,160	-	2,47,160	0.53	-
	Dimple Manoj Sanghvi	2,12,500	-	2,12,500	0.45	-
	Yash Shantilal Sanghvi	3,12,000	-	3,12,000	0.67	-
	Sarika Prashant Sanghvi	1,75,000	-	1,75,000	0.37	-
	Pavan Sanghvi	6,58,165	-	6,58,165	1.41	-
	Babulal M. Sanghvi	1,39,330	-	1,39,330	0.30	-
	Pavankumar Mishrimal Sanghvi (HUF)	1,31,250	-	1,31,250	0.28	-
	Sanghvi Prakashmal Mishrimal (HUF)	5,07,330	-	5,07,330	1.09	-
	Vijay C. Sanghvi	50,810	-	50,810	0.11	-
	Pinky Jitendra Sanghvi	50,000	-	50,000	0.11	-
	Arunaben C. Sanghvi	45,205	-	45,205	0.10	-
	Mahendra C. Sanghvi	40,000	-	40,000	0.09	-
	Sheetal Nilesh Sanghvi	25,000	-	25,000	0.05	-
	Rishabh M. Sanghvi	25,000	-	25,000	0.05	-
Total		**2,81,11,625**	**-**	**2,81,11,625**	**60.16**	**-**

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

10. OTHER EQUITY

(₹ in Lakhs)

	Particulars	As at 31st March, 2022	As at 31st March, 2021
a)	**Securities Premium**		
	Opening balance	2,279.06	2,279.06
	Increase/(decrease) during the year	-	-
		2,279.06	**2,279.06**
	Securities premium is used to record the premium on issue of shares. This reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.		
	OTHER RESERVES		
b)	**Capital Reserve**		
	Opening balance	490.04	490.04
	Increase/(decrease) during the year	-	-
		490.04	**490.04**
	Capital reserve is mainly used to record the reserves created on receipt of state/central subsidies and amounts forfeited towards the forfeiture of Equity warrants issued. This reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.		
c)	**Amalgamation Reserve**		
	Opening balance	392.11	392.11
	Increase/(decrease) during the year	-	-
		392.11	**392.11**
	Amalgamation reserve is used to record the reserves created on amalgamation of Ratnamani Engineering Ltd. and Ratnamani Fine Tubes Private Ltd. This reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.		
d)	**General Reserve**		
	Opening balance	72,625.16	72,625.16
	Increase/(decrease) during the year	-	-
		72,625.16	**72,625.16**
	Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.		
	Other Comprehensive Income		
e)	**Cash flow hedge reserve**		
	Opening balance	(506.69)	(600.74)
	Net movement during the year	306.76	94.05
		(199.93)	**(506.69)**
	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.		

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
f) Retained Earnings		
Opening balance	1,22,432.89	94,694.09
Profit for the year	32,239.25	27,589.98
Other Comprehensive Income		
Re-measurement gain on defined benefit plans (net of tax)	42.20	148.82
Dividend paid	(6,541.92)	-
	1,48,172.42	**1,22,432.89**
Total Other Equity (a+b+c+d+e+f)	**2,23,758.86**	**1,97,712.57**

(₹ in Lakhs)

Distribution made and proposed	As at 31st March, 2022	As at 31st March, 2021
Cash dividend on equity shares declared and paid		
Final Dividend for the year ended March 31, 2021: ₹ 14.00 per share (for the year ended March 31, 2020: ₹ Nil per share)	6,541.92	-
	6,541.92	**-**
Proposed dividend on equity shares		
Final Dividend for the year ended March 31, 2022: ₹ 14.00 per share (for the year ended March 31, 2021: ₹ 14.00 per share)	6,541.92	6,541.92
	6,541.92	**6,541.92**
	13,083.84	**6,541.92**

Proposed dividends on equity shares are subject to approval at the ensuing Annual General Meeting and are not recognised as a liability as at March 31.

The Board of Directors at its meeting held on May 18, 2022, proposed a dividend of ₹ 14.00 per share having face value of ₹ 2.00 (pre-bonus), which translates into final dividend of ₹ 9.33 per equity share having face value of ₹2.00 (post-bonus) for the year ended March 31, 2022, subject to approval by the members of the Company.

The Company declares and pays dividend in Indian rupees in accordance with its dividend distribution policy. The Finance Act 2020 has repealed the Dividend Distribution Tax (DDT). Companies are now required to pay/distribute dividend after deducting applicable taxes. The remittance of dividend outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

11. BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Long term Borrowing (refer note-a)		
External (Foreign) Commercial Borrowings (Secured) (refer note-a)	8,890.75	12,452.16
Less:- Current maturity grouped as short term borrowing	3,951.43	3,831.43
	4,939.32	**8,620.73**
Term Loan (Secured) (refer note-a)	5,937.50	7,187.50
Less:- Current maturity grouped as short term borrowing	1,250.00	1,250.00
	4,687.50	**5,937.50**
	9,626.82	**14,558.23**
Short term Borrowings		
Current maturity of Long Term Borrowings (Secured)(refer note-a)	5,201.43	5,081.43
Cash Credit/Export Packing Credit facilities (Secured)(refer note-b)	-	79.61
	5,201.43	**5,161.04**
Total Borrowings	**14,828.25**	**19,719.27**
Current	5,201.43	5,161.04
Non-Current	9,626.82	14,558.23
	14,828.25	**19,719.27**

a) Long Term Borrowings are secured by - i) a first pari passu charge on entire manufacturing movable fixed assets; ii) a first pari passu mortgage and charge on immovable properties situated at Indrad, Kadi and Anjar, Kutch all in the State of Gujarat; iii) a second pari passu charge on entire current assets in the form of inventories, book-debts and all other movable assets.

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

External (Foreign) Commercial Borrowing of ₹ 8,890.75 Lakhs (March 31, 2021 ₹ 12,452.16) carry interest @ 3M Libor plus 100 basis point. The loan is repayable in 16 quarterly instalments between July 29, 2020 till April 29, 2024.

Term Loan of ₹ 5,937.50 Lakhs (March 31, 2021 ₹ 7,187.50) carry interest @ 3M MCLR plus 15 basis point. The loan is repayable in 24 equal quarterly instalments between March 31, 2021 till December 31, 2026.

b) Short term Borrowings are secured by - i) a first pari passu charge on entire current assets in the form of inventories, book-debts, all other movable assets; ii) a second pari passu charge on entire manufacturing movables fixed assets; iii) a second pari passu mortgage and charge on immovable properties situate at Indrad, Kadi and Anjar, Kutch all in the State of Gujarat; iv) a Negative Lien on the agricultural lands, pending conversion to the non-agriculture status; v) a Negative Lien on leasehold interest on the immovable properties situate at GIDC Estate Chhatral, Taluka Kalol, District Gandhinagar.

Short term Borrowings from banks carries interest in the range of 0 to 12 month MCLR plus 25 to 50 basis point.

c) The bank overdrafts are secured by a portion of the Company's fixed deposits which carry interest at 3.80% to 5.00% p.a (March 31, 2021: 5.00 %). The borrowings are payable on demand.

d) At March 31, 2022, the Company has available fund based working capital limits from consortium banks and term loan aggregating to ₹ 14,900.00 Lakhs (March 31, 2021: ₹ 22,320.39 Lakhs) of undrawn committed borrowing facilities.

e) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

f) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

g) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

h) Term loans were applied for the purpose for which the loans were obtained.

12. INCOME TAX

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
The major component of income tax expense for the years ended March 31, 2022 and March 31, 2021 are :		
Statement of Profit and Loss		
Current tax		
Current income tax	10,822.67	8,518.89
Excess provision for current tax of earlier years	(158.74)	(605.41)
Deferred tax		
Deferred tax expense	165.93	834.14
Income tax expense reported in the Statement of Profit and Loss	**10,829.86**	**8,747.62**
OCI Section		
Other comprehensive income (OCI)		
Tax related to items recognised in OCI during the year		
Re-measurement gain/(loss) on defined benefit plans	(14.19)	(50.05)
Net movement in cash flow hedge reserve	(103.18)	(31.63)
Tax credited to OCI	**(117.37)**	**(81.68)**

a) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2022 and March 31, 2021:

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Accounting Profit before tax	43,069.11	36,337.60
Enacted income tax rate in India applicable to the Company	25.168%	25.168%
Tax using the Company's domestic tax rate	**10,839.63**	**9,145.45**
Tax effects of :		
Non-deductible expenses	191.54	206.28
Excess provision for current tax of earlier years	(158.74)	(605.41)
Others	(42.57)	1.31
At the effective income tax rate of March 31, 2022: 25.15% (March 31, 2021: 24.07%)	**10,829.86**	**8,747.62**

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

b) Movement in deferred tax liabilities (net) for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Opening Balance as at 1st April, 2021	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2022
Tax effect of items constituting deferred tax liabilities:				
Accelerated depreciation for tax purposes	4,039.85	450.38	-	4,490.23
Accrued Income taxable on realisation	334.69	(320.61)	-	14.08
	4,374.54	**129.77**	**-**	**4,504.31**
Tax effect of items constituting deferred tax assets:				
Expenses allowed in year of payment	(270.14)	36.16	-	(233.98)
Revaluation of cash flow hedges	(170.41)	-	103.18	(67.23)
	(440.55)	**36.16**	**103.18**	**(301.21)**
Net deferred tax liabilities	**3,933.99**	**165.93**	**103.18**	**4,203.10**

Movement in deferred tax liabilities (net) for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Opening Balance as at 1st April, 2020	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2021
Tax effect of items constituting deferred tax liabilities :				
Accelerated depreciation for tax purposes	3,590.91	448.94	-	4,039.85
Accrued Income taxable on realisation	96.55	238.14	-	334.69
	3,687.46	**687.08**	**-**	**4,374.54**
Tax effect of items constituting deferred tax assets :				
Expenses allowed in year of payment	(417.20)	147.06	-	(270.14)
Revaluation of cash flow hedges	(202.04)	-	31.63	(170.41)
	(619.24)	**147.06**	**31.63**	**(440.55)**
Net deferred tax liabilities	**3,068.22**	**834.14**	**31.63**	**3,933.99**

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.

13. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total outstanding dues of micro enterprises and small enterprises	1,120.70	900.59
Total outstanding dues of creditors other than micro enterprises and small enterprises	30,376.09	23,350.43
	31,496.79	**24,251.02**
Above includes:		
Payable to related parties (refer note 30)	3,146.35	3,206.18

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development (MSMED) as at March 31, 2022. The disclosure pursuant to the said Act is as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
i) Amounts remaining unpaid as at year end towards		
Principal	1,120.70	900.59
Interest	64.30	98.76
ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	64.30	98.76
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.

Trade Payables Ageing Schedule

As at March 31, 2022 (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	907.74	209.28	0.10	-	-	1,117.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	16,134.70	14,124.32	5.35	5.75	-	30,270.12
Disputed dues of micro enterprises and small enterprises	-	-	2.12*	1.46*	-	3.58*
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	27.94*	29.83*	-	57.77*

* The amount pertains to commercial disputes.

As at March 31, 2021 (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	486.97	322.79	33.59	15.49	40.29	899.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,498.94	15,754.51	28.00	13.59	25.56	23,320.60
Disputed dues of micro enterprises and small enterprises	-	-	1.46*	-	-	1.46*
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	29.83*	-	-	29.83*

* The amount pertains to commercial disputes.

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

14. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Financial liabilities at fair value through OCI		
Cash flow hedges		
Currency and interest rate swaps	-	399.06
Financial liabilities at fair value through profit or loss		
(Derivatives not designated as hedges)		
Foreign exchange forward contracts	9.94	22.60
Other financial liabilities at amortised cost		
Interest accrued but not due	172.85	230.32
Payables in respect of capital goods	1,284.21	3,446.69
Unpaid dividend #	160.00	151.05
Unpaid CSR fund	354.36	-
Other miscellaneous liabilities	538.80	1,414.66
	2,520.16	**5,664.38**
Current	2,308.51	4,852.37
Non-Current	211.65	812.01
	2,520.16	**5,664.38**

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

Fair value disclosures for financial liabilities (refer note 33.1)

15. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Contract liability (Advance from customers)	15,723.11	4,311.36
Statutory dues payable	413.08	1,069.42
Other miscellaneous liabilities	302.42	559.62
	16,438.61	**5,940.40**

16. PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits		
Compensated absences	211.81	220.63
Gratuity (refer note-25)	4.88	-
	216.69	**220.63**
Current	216.69	220.63
Non-Current	-	-
	216.69	**220.63**

17. CURRENT TAX LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Income tax (net of advance tax)	808.60	2,166.82
	808.60	**2,166.82**

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

18 REVENUE FROM CONTRACTS WITH CUSTOMERS

18.1 Disaggregated revenue information

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
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	3,10,399.60	2,27,087.39
Sale of Power generated from Windmills	568.84	453.28
Sale of services	1,222.64	1,396.57
Revenue from contracts with customers	**3,12,191.08**	**2,28,937.24**
Other operating revenue	1,686.64	875.91
Total revenue from operations	**3,13,877.72**	**2,29,813.15**
Sales of Steel Tubes and Pipes		
In India	2,66,488.32	1,71,408.33
Outside India	43,911.28	55,679.06
	3,10,399.60	**2,27,087.39**
Sale of Power generated from Windmills		
In India	568.84	453.28
Sale of Services		
In India	1,222.64	1,396.57
Total Revenue from contracts with customers	**3,12,191.08**	**2,28,937.24**
Timing of revenue recognition		
Goods and services transferred at a point in time	3,12,191.08	2,28,937.24
Total Revenue from contracts with customers	**3,12,191.08**	**2,28,937.24**

18.2 Contract balances

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade receivables	60,075.53	40,257.31
Contract liabilities (Advance from customers)	15,723.11	4,311.36

In March 2022, ₹ 7.11 Lakhs (March 2021: ₹ 8.97 Lakhs) was recognised as provision for expected credit losses on trade receivables.

Contract liabilities (Advance from customers) include short-term advances received from customers against supply of Steel Tubes & Pipes. The outstanding balances of these accounts increased in 2021-22 due to performance obligations to be satisfied in upcoming years.

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

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Amounts included in Contract liabilities (Advance from customers) at the beginning of the year	4,262.53	16,272.25

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

18.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Revenue as per contracted price (net of taxes)	3,12,399.40	2,27,062.87
Adjustments :-		
Provision/(Reversal) for late deliveries, sales return etc.	(208.32)	1,874.37
Revenue from contract with customers	3,12,191.08	2,28,937.24

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 March 31, 2022 are as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Within one year	2,14,349.46	99,615.60
More than one year	1,613.55	883.32
	2,15,963.01	**1,00,498.92**

19. OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest income on		
Bank deposits	106.09	190.07
Others	339.32	309.79
Other non-operating income		
Fair value gain on financial instruments at fair value through profit and loss	1,798.21	2,289.35
Profit on Sale/Discard of property, plant and equipment (net)	31.91	16.39
Bad debts recovered	27.28	-
Excess Provision for doubtful debts written back	3.65	120.89
Excess provision/liabilities no longer payable written back	7.22	50.53
Foreign exchange fluctuation (net)	1,433.15	1,302.87
Miscellaneous income	7.93	60.86
	3,754.76	**4,340.75**

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

20. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
- Opening inventory	30,411.20	50,987.82
- Add: Purchases	2,67,351.11	1,15,407.82
	2,97,762.31	**1,66,395.64**
- Less: Closing inventory	65,298.83	30,411.20
Cost of raw materials and components consumed	**2,32,463.48**	**1,35,984.44**

21. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Inventories at the end of the year		
- Work in process	30,538.41	12,704.58
- Finished goods	11,442.91	7,201.74
	41,981.32	**19,906.32**
Inventories at the beginning of the year		
- Work in process	12,704.58	27,977.34
- Finished goods	7,201.74	3,082.65
	19,906.32	**31,059.99**
(Increase)/Decrease In Inventory		
- Work in process	(17,833.83)	15,272.76
- Finished goods	(4,241.17)	(4,119.09)
	(22,075.00)	**11,153.67**

22. EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Salaries, wages and bonus	13,858.38	12,366.49
Contribution to provident and other funds (refer note-25)	798.70	719.53
Gratuity expense (refer note-25)	207.91	231.98
Staff welfare expenses	926.97	765.35
	15,791.96	**14,083.35**

23. FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest on debts and borrowings	1,606.54	1,748.91
Interest on income tax	39.46	114.82
Interest on lease liabilities	81.80	89.08
Interest others	-	64.15
Bank charges	408.02	273.06
	2,135.82	**2,290.02**

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

24. OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Consumption of stores & spares	8,296.35	6,609.53
Freight & transport charges	13,103.30	8,267.29
Power & fuel	5,769.76	4,277.62
Labour & processing charges	3,479.75	3,346.34
Repairs and maintenance:		
Plant and machineries	961.11	776.78
Buildings	133.51	312.87
Others	74.01	64.45
Testing and inspection charges	207.58	105.18
Legal & consultancy charges	690.26	546.54
Traveling & conveyance expenses	374.89	326.77
Insurance	818.35	589.30
Expense relating to short-term leases (refer note-26 a)	241.61	237.61
Rates & taxes	143.70	128.92
Joint/Statutory auditors' remuneration (refer note-a)	23.53	45.79
Advertisement & other expenses	194.31	155.38
Sales commission	959.34	300.57
Bad debts written off	10.73	78.12
Provision for doubtful debts utilised	(10.73)	(78.12)
Charity and donations	1.00	150.00
CSR expenses (refer note-b)	760.06	669.62
Commission to Non Executive Directors	32.50	-
Directors' sitting fees	20.40	18.40
Miscellaneous expenses	1,941.18	1,690.50
	38,226.50	**28,619.46**
a) Payments to Joint/Statutory Auditors		
As Auditor:		
- Audit Fee	13.50	26.45
- Limited Review	9.50	15.00
	23.00	**41.45**
In other capacity:		
- Certification	-	3.34
- Reimbursement of expenses	0.53	1.00
	0.53	**4.34**
	23.53	**45.79**

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

(₹ in Lakhs)

Particulars				Year ended 31st March, 2022	Year ended 31st March, 2021
b)	Other expenses include ₹ 760.06 Lakhs (P.Y. ₹ 669.62 Lakhs), spent towards various activities relating to Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013, details of which are as under:				
	Details of Corporate Social Responsibility :-				
	1.	Gross amount required to be spent during the year		760.06	669.62
	2.	Amount approved by the board to be spent during the year		760.06	669.62
	3.	Amount spent during the year:			
		i)	Construction/acquisition of any asset		
			In Cash	219.37	221.00
			Yet to be paid in cash	264.78	341.19
			Total	**484.15**	**562.19**
		ii)	On purposes other than (i) above		
			In Cash	275.91	107.43
			Yet to be paid in cash	-	-
			Total	**275.91**	**107.43**
		Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures (contributed to Shree Mahavir Education Trust where KMP's are interested).		25.50	221.00
	4.	Amount related to spent/unspent obligation:			
		i)	Contribution to Trust	219.37	221.00
		ii)	Others	275.91	107.43
		iii)	Unspent amount in relation to :		
			- Ongoing project	264.78	341.19
			- Other than Ongoing project	-	-
				760.06	**669.62**

Details of ongoing project

In case of S. 135(6) (Ongoing Project)							
Opening Balance		Income earned from Op. Unspent A/c during the year	Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A\c			From Company's bank A/c	From Separate CSR Unspent A\c	With Company*	In Separate CSR Unspent A\c
-	341.19	13.17	760.06	495.28	-	264.78	354.36

*deposited subsequent to year end.

25. EMPLOYEE BENEFITS EXPENSES

A. Defined contribution plans:

Amount of ₹ 798.70 Lakhs (March 31, 2021: ₹ 719.53 Lakhs) is recognised as expenses and included in note no. 22 "Employee benefits expense"

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Provident fund	357.18	317.79
Contributory pension scheme	304.46	285.26
Superannuation fund	136.50	115.95
Gujarat labour welfare fund	0.56	0.53
	798.70	**719.53**

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

B. Defined benefit plans:

The Company operates gratuity plan in the nature of defined benefit plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The gratuity plan is governed by the payment of Gratuity Act,1972. The Company's gratuity plan is funded with Life Insurance Corporation of India and HDFC life.

March 31, 2022: Changes in defined benefit obligation and plan assets

(₹ in Lakhs)

	01st April, 2021	Cost charged to Statement of Profit and Loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	31st March, 2022
		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	Actuarial changes arising from changes in demographic assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	3,336.35	212.42	231.21	443.63	(81.61)	-	(110.92)	0.96	51.19	(58.77)	-	3,639.60
Fair value of plan assets	3,401.37	-	235.72	235.72	-	2.37	-	-	-	2.37	-	3,634.72
Benefit liability	(65.02)	212.42	(4.51)	207.91	-	(2.37)	(110.92)	0.96	51.19	(56.40)	-	4.88
Total benefit liability / (plan asset)	**(65.02)**	**212.42**	**(4.51)**	**207.91**	**-**	**(2.37)**	**(110.92)**	**0.96**	**51.19**	**(56.40)**	**-**	**4.88**

31st March, 2021: Changes in defined benefit obligation and plan assets

(₹ in Lakhs)

	1st April, 2020	Cost charged to Statement of Profit and Loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	31st March, 2021
		Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (note 22)		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in demographic assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	3,194.00	212.97	218.47	431.44	(102.18)	-	(25.31)	-	(161.60)	(186.91)	-	3,336.35
Fair value of plan assets	2,916.07	-	199.46	199.46	(4.05)	(11.96)	-	-	-	(11.96)	277.93	3,401.37
Benefit liability	277.93	212.97	19.01	231.98	-	11.96	(25.31)	-	(161.60)	(198.87)	(277.93)	(65.02)
Total benefit liability / (plan asset)	**277.93**	**212.97**	**19.01**	**231.98**	**-**	**11.96**	**(25.31)**	**-**	**(161.60)**	**(198.87)**	**(277.93)**	**(65.02)**

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

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Insurance Funds	3,634.72	3,401.37
(%) of total plan assets	100%	100%

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Discount rate	7.31%	6.93%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	7.31%	6.93%
Employee turnover rate	2.00%	2.00%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity (increase) / decrease in defined benefit obligation (Impact)

(₹ in Lakhs)

Particulars	Sensitivity level	As at 31st March, 2022	As at 31st March, 2021
Discount rate	1% increase	(261.55)	(257.59)
	1% decrease	307.48	303.95
Salary increase	1% increase	302.32	297.68
	1% decrease	(262.24)	(257.43)
Employee turnover	1% increase	(17.15)	(25.20)
	1% decrease	19.29	28.54

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

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Within the next 12 months (next annual reporting period)	792.42	671.64
Between 2 and 5 years	974.87	864.80
Beyond 5 years	6,154.63	5,697.20
Total expected payments	**7,921.92**	**7,233.64**

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

Particulars	As at 31st March, 2022 Years	As at 31st March, 2021 Years
Gratuity	17	17

The followings are the expected contributions to planned assets for the next year: (₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Gratuity	224.72	147.40

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

26. COMMITMENTS AND CONTINGENCIES

a) Leases :-

Operating lease commitments — Company as lessee

The Company has entered into lease contracts for office premises, land, guest house and other properties on lease, with lease terms between one to nine years. Generally, the Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Company also has certain leases of office premises, land and other properties with lease terms of 12 months or less with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year.

(₹ in Lakhs)

Particulars	Leasehold land	Office premises	Total
As at April 01, 2020	39.49	1,079.90	1,119.39
Additions during the year	-	-	-
Depreciation and Amortisation Expenses	3.09	138.75	141.84
As at March 31, 2021	**36.40**	**941.15**	**977.55**
Additions during the year	-	-	-
Depreciation and Amortisation Expenses	3.08	138.75	141.83
As at March 31, 2022	**33.32**	**802.40**	**835.72**

Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

(₹ in Lakhs)

Particulars	2021-22	2020-21
As at April 01	1,008.98	1,091.36
Additions	-	-
Finance Costs incurred during the year	81.80	89.08
Payments of lease liabilities	(172.40)	(171.46)
As at March 31	918.38	1,008.98
Current	112.91	90.60
Non-current	805.47	918.38

The effective interest rate for lease liabilities is 8.45 %, with maturity between 2021-2026.

The following are the amounts recognised in profit or loss:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Depreciation and Amortisation Expenses	141.83	141.84
Interest expense on lease liabilities	81.80	89.08
Expense relating to short-term leases	241.61	237.61
Total amount recognised in statement of profit or loss	**465.24**	**468.53**

The Company had total cash outflows for leases of ₹ 172.40 Lakhs (March 31, 2021 ₹ 171.46 Lakhs).

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

b) Contingent Liabilities :-

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
a)	ESI Liability (excluding interest leviable, if any)	463.32	444.32
b)	Disputed statutory claims/levies for which the Company/ Department has preferred appeal in respect of (excluding interest leviable, if any): - Excise/Custom duty (note-i)	4,334.83	494.91
c)	Differential amount of custom duty in respect of machinery purchased under EPCG scheme (note-ii)	466.70	-
d)	Different amount of custom duty in respect of Advance license (note-ii)	239.86	-

Note-(i) Excise/Custom duty demand comprise various demands from the Excise/Custom Authorities for payment of ₹ 4,334.83 Lakhs (March 31, 2021 ₹ 494.91 Lakhs). The Company has filed appeals against these demands. The Company is confident that the demands are likely to be deleted and accordingly no provision for liability has been recognised in the financial statements.

Note-(ii) The Company has imported capital goods under the EPCG scheme to utilise the benefit of zero or concessional custom duty rate. Also, the Company has imported raw materials under the advance licence scheme. These benefits are subject to future exports within stipulated time.

c) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 4,174.26 Lakhs (31st March, 2021 ₹ 3,246.68 Lakhs).

27. The Company has incurred premium expenses of ₹ 139.83 Lakhs (March 31, 2021 ₹ 171.62 Lakhs) on Key Man Insurance Policy and term plan policy of Chairman and Managing Director, Joint Managing Director and Whole-Time Director, which is included in insurance expenses.

28. During the year ended March 31, 2022 ₹ 261.82 Lakhs (March 31, 2021 ₹ 527.54 Lakhs) was recognised as an expense for inventories carried at net realisable value.

29. SEGMENT INFORMATION

The Company is engaged in manufacturing of Steel Tubes and Pipes. Considering the nature of Company's business and operations, as well as based on reviews of operating results by the chief operating decision makers to make decisions about resource allocation and performance measurement, the Company has identified "Steel Tubes and Pipes" as only reportable segment in accordance with the requirements of 'Ind AS 108 - Operating Segments'.

Secondary Reportable Segment (Geographical by Customers)

(₹ in Lakhs)

Particulars	In India	Outside India	Total
Segment Revenue			
Year ended March 31, 2022	**2,69,966.44**	**43,911.28**	**3,13,877.72**
Year ended March 31, 2021	(1,74,134.09)	(55,679.06)	(2,29,813.15)
Segment Assets			
As at March 31, 2022	**2,84,510.42**	**11,613.58**	**2,96,124.00**
As at March 31, 2021	(2,57,868.51)	(3,684.11)	(2,61,552.62)

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

30. RELATED PARTY DISCLOSURES

As required by Indian Accounting Standard - 24 "Related Parties Disclosures" the disclosure of transactions with related parties are given below :

A Relationships

(a) Wholly Owned Foreign Subsidiary Company

Ratnamani INC, USA

(b) Key Management Personnel

Mr. Prakash M. Sanghvi	–	Chairman and Managing Director
Mr. Jayanti M. Sanghvi	–	Joint Managing Director
Mr. Shanti M. Sanghvi	–	Whole-time Director
Mr. Divyabhash C. Anjaria	–	Director
Mr. Pravinchandra M. Mehta	–	Director
Dr. Vinod M. Agrawal	–	Director
Mrs. Nidhi G. Gadhecha	–	Director
Mr. Vimal Katta	–	Chief Financial Officer
Mr. Anil Maloo	–	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
Laxmiraj Distributors Private Limited
Ratanakar Wire Private Limited
Aerolam Decorative LLP
Jubilant Piping Solutions Private Limited
Metal Udyog (India)
Aurum Alloys & Engineering LLP. (w.e.f. July 10, 2021)

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

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

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Rent Expense		
- Ratnamani Food Products Private Limited	3.00	1.25
Marketing support charges paid		
- Ratnamani INC., USA	142.91	109.24
Rent Income		
- Ratnamani Healthcare Private Limited	5.83	-
- Ratnaflex Engineering Pvt Limited	2.10	-
Other Income		
- Ratnamani Healthcare Private Limited	0.18	-
Purchases of goods		
- Laxmiraj Distributors Private Limited	12.72	-
- Ratanakar Wire Private Limited	6.45	6.02
- Aerolam Decorative LLP	5.57	-
- Jubilant Piping Solutions Private Limited	2.55	-
- Metal Udyog (India)	-	0.57
- Aurum Alloys & Engineering LLP. (w.e.f. July 10, 2021)	27.83	-
Sales		
- Comfit Valves Private Limited	1.92	8.41
- Ratnamani Techno Casts Private Limited	391.80	200.26
- Ratnaflex Engineering Private Limited	47.51	58.11
- Ratanakar Wire Private Limited	8.51	-
- Jubilant Piping Solutions Private Limited	37.24	-
- Aurum Alloys & Engineering LLP. (w.e.f. July 10, 2021)	17.03	-
Donation		
- Shree Mahavir Education Trust	25.50	221.00
Remuneration to Key Management Personnel and their relatives (excluding commission and sitting fees) (refer note (a) below)	1,090.03	1,017.26
Commission		
- Mr. Prakash M. Sanghvi	1,500.00	1,350.00
- Mr. Jayanti M. Sanghvi	900.00	810.00
- Mr. Shanti M. Sanghvi	600.00	540.00
Commission (Non Executive Directors)		
- Mr. Divyabhash C. Anjaria	10.00	-
- Mr. Pravinchandra M. Mehta	10.00	-
- Dr. Vinod M. Agrawal	7.50	-
- Mrs. Nidhi G. Gadhecha	5.00	-
Sitting Fees		
- Mr. Divyabhash C. Anjaria	6.40	5.60
- Dr. Vinod M. Agrawal	5.60	5.20
- Mr. Pravinchandra M. Mehta	4.40	4.00
- Mrs. Nidhi G. Gadhecha	4.00	3.60

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

(₹ in Lakhs)

Outstanding as at year end	As at 31st March, 2022	As at 31st March, 2021
Receivable		
- Comfit Valves Private Limited	0.28	1.24
- Ratnamani Techno Casts Private Limited	85.41	45.29
- Ratnaflex Engineering Private Limited	27.51	53.36
- Jubilant Piping Solutions Private Limited	41.54	-
Payable		
- Ratnamani INC., USA	84.78	26.91
- Ratanakar Wire Private Limited	0.83	0.34
- Aerolam Decorative LLP	0.12	-
- Mr. Prakash M. Sanghvi	1,506.71	1,355.45
- Mr. Jayanti M. Sanghvi	905.67	814.76
- Mr. Shanti M. Sanghvi	604.90	544.16
- Mr. Divyabhash C. Anjaria	9.00	-
- Dr. Vinod M. Agrawal	9.00	-
- Mr. Pravinchandra M. Mehta	6.75	-
- Mrs. Nidhi G. Gadhecha	4.50	-
- Mr. Manoj P. Sanghvi	2.61	3.21
- Mr. Prashant J. Sanghvi	2.58	2.78
- Mr. Nilesh P. Sanghvi	2.00	2.25
- Mr. Jigar P. Sanghvi	1.42	1.41
- Mr. Yash S. Sanghvi	1.10	0.89
- Mr. Vimal Katta	3.37	3.10
- Mr. Anil Maloo	1.01	0.92

Note (a) : The remuneration to the key managerial personnel does not include the provisions made for gratuity, as it is determined on an actuarial basis for the Company as a whole.

Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2022 and March 31, 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

31. EARNINGS PER SHARE (EPS)

Particulars		Year ended 31st March, 2022	Year ended 31st March, 2021
Profit for the year	(₹ in Lakhs)	32,239.25	27,589.98
Weighted average no. of shares for EPS computation			
for basic and diluted EPS	(Nos. in Lakhs)	467.28	467.28
Earnings per share (basic and diluted)	(₹)	68.99	59.04
Nominal value of shares	(₹)	2.00	2.00

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

32. HEDGING ACTIVITIES AND DERIVATIVES

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk. Following are the Derivative instruments at year end not designated as hedging instrument:

(₹ in Lakhs)

Sr. No.	Particulars	31st March, 2022 Amount (₹ in Lakhs)	31st March, 2022 Foreign Currency (in Lakhs)	31st March, 2021 Amount (₹ in Lakhs)	31st March, 2021 Foreign Currency (in Lakhs)	Purpose
1	Forward Contracts (USD Purchase)	-	-	8,550.69	USD 115.55	Hedging of foreign currency purchase
2	Forward Contracts (USD Sale)	2,675.21	USD 35.00	-	-	Hedging of foreign currency sale
3	Forward Contracts (EURO Sale)	-	-	665.60	EURO 7.27	Hedging of foreign currency sale

Derivatives designated as hedging instruments

Cash flow hedges

Foreign currency risk:

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedging against principal and interest repayment of external commercial borrowings. The foreign exchange forward contract balances vary with the level of expected foreign currency fluctuations and changes in foreign exchange forward rates.

The Company is holding the following foreign exchange Contracts designated as cash flow hedges:

Sr. No.	Particulars	Maturity Notional Amount (USD in Lakhs)			Purpose
		2022-23	2023-24	2024-25	
1	Currency and interest rate swaps	52.13	52.13	13.02	Hedging of principal and interest repayment of external commercial borrowings.

The impact of the hedging instruments on the balance sheet is as follows:

Sr. No.	Particulars	31st March, 2022 Notional Amount (in Lakhs)	31st March, 2022 Carrying Amount (₹ in Lakhs)	31st March, 2021 Notional Amount (in Lakhs)	31st March, 2021 Carrying Amount (₹ in Lakhs)	Line item in the balance sheet
1	Currency and interest rate swaps	USD 117.28	195.37	USD 169.41	(399.06)	Other financial (Liabilities)/ Assets

The impact of the hedging instruments on the statement of profit and loss for the Year Ended March 31, 2022 is as follows:

Sr. No.	Particulars	Total hedging gain/ (loss) recognised in OCI (in Lakhs)	Ineffectiveness recognised in profit or loss	Cost of hedging recognise in OCI	Amount reclassified from OCI to profit or loss
1	Currency and interest rate swaps	195.37	-	-	-

The impact of the hedging instruments on the statement of profit and loss for the Year Ended March 31, 2021 is as follows:

Sr. No.	Particulars	Total hedging gain/ (loss) recognised in OCI (in Lakhs)	Ineffectiveness recognised in profit or loss	Cost of hedging recognise in OCI	Amount reclassified from OCI to profit or loss
1	Currency and interest rate swaps	(399.06)	-	-	-

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

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

33.1 Category-wise Classification of Financial Instruments:

(₹ in Lakhs)

Particulars	Refer Note	As at 31st March, 2022			
		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	-	10,854.48	-	10,854.48
Trade receivables	6	-	-	60,075.53	60,075.53
Cash and cash equivalents	7(a)	-	-	4,248.14	4,248.14
Other balances with banks	4	-	-	2,115.00	2,115.00
Loans	4	-	-	24.71	24.71
Other financial assets	4	195.37	-	795.22	990.59
Total		**195.37**	**10,854.48**	**67,264.68**	**78,314.53**
Financial liabilities					
Borrowings	11	-	-	14,828.25	14,828.25
Trade payables	13	-	-	31,496.79	31,496.79
Derivatives	14	-	9.94	-	9.94
Lease liabilities	26 (a)	-	-	918.38	918.38
Other financial liabilities	14	-	-	2,510.22	2,510.22
Total		**-**	**9.94**	**49,753.64**	**49,763.58**

(₹ in Lakhs)

Particulars	Refer Note	As at 31st March, 2021			
		Fair Value through OCI	Fair Value through profit or loss	Amortised cost	Carrying Value
Financial assets					
Investments in unquoted equity shares of subsidiary Company	4	-	-	6.08	6.08
Investments in quoted mutual funds	4	-	63,651.31	-	63,651.31
Trade receivables	6	-	-	40,257.31	40,257.31
Cash and cash equivalents	7(a)	-	-	4,252.37	4,252.37
Other balances with banks	7(b)	-	-	1,140.00	1,140.00
Loans	4	-	-	29.98	29.98
Other financial assets	4	-	-	1,728.61	1,728.61
Total		**-**	**63,651.31**	**47,414.35**	**1,11,065.66**
Financial liabilities					
Borrowings	11	-	-	19,719.27	19,719.27
Trade payables	13	-	-	24,251.02	24,251.02
Derivatives	14	399.06	22.60	-	421.66
Lease liabilities	26 (a)	-	-	1,008.98	1,008.98
Other financial liabilities	14	-	-	5,242.72	5,242.72
Total		**399.06**	**22.60**	**50,221.99**	**50,643.65**

33.2 Category-wise Classification of Financial Instruments:

The financial instruments are categorised in to three levels, based on the inputs used to arrive at fair value measurement as described bellow:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Inputs based on unobservable market data.

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

Valuation Methodology

Financial instruments are initially recognised and subsequently re-measured at fair value as described below :

The fair value of investment in quoted Mutual Funds is measured at quoted price/ NAV.

The derivatives are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

(a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

(₹ in Lakhs)

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	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)	10,854.48	-	10,854.48	63,651.31	-	63,651.31
Financial Liabilities						
Foreign exchange forward contracts USD (measured at FVTPL)	-	2,675.21	2,675.21	-	8,550.69	8,550.69
Foreign exchange forward contracts EURO (measured at FVTPL)	-	-	-	-	665.60	665.60
Foreign exchange USD (measured at FVTOCI) - foreign currency and interest rate swap	-	8,890.75	8,890.75	-	12,452.16	12,452.16

There have been no transfers between Level 1 and Level 2 during the period. There are no instruments covered under Level 3.

(b) Financial Instruments measured at Amortised Cost

The management assessed that cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables, bank overdrafts, investments and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

34. FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include investments, loans given, trade and other receivables and cash & term deposits that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency exposures and interest rate swaps to hedge certain variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading / speculative instruments.

The Company's risk management is carried out by the corporate finance under policies approved by the Board of directors. The corporate finance identifies, evaluates and hedges financial risks in close co-operation with the Company's Business Heads.

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity.

The corporate finance function reports quarterly to the Company's Audit committee, that monitors risks and policies framed to mitigate risk exposures.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables and derivative financial instruments.

The potential economic impact, due to these assumptions and current situation, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of Profit and Loss may differ materially from these estimates due to actual developments in the global financial markets.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates and period of borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowing. In certain cases Company enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit and equity for the year ended March 31, 2022 would (decrease)/increase by ₹ 33.58 Lakhs (March 31, 2021: ₹ 33.35 Lakhs). This is mainly attributable to variable interest rates on long term borrowings.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the recognised underlying assets/liabilities and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

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

(₹ in Lakhs)

Currency	Liabilities		Assets	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
USD	8,192.11	15,953.40	10,621.36	5,152.12
EURO	2,215.79	2,910.66	1,984.20	792.70

The above table represents total exposure of the Company towards foreign exchange denominated assets and liabilities. The details of exposures hedged using forward exchange contracts are given as a part of note 32.

The Company is mainly exposed to changes in USD and EURO. The below table demonstrates the sensitivity to a 1% increase or decrease in the USD and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021
a) USD Sensitivity				
Rupees / USD – Increase by 1%	24.64	108.07	24.64	108.07
Rupees/ USD – Decrease by 1%	(24.64)	(108.07)	(24.64)	(108.07)
b) EURO Sensitivity				
Rupees / EURO – Increase by 1%	2.27	20.85	2.27	20.85
Rupees / EURO – Decrease by 1%	(2.27)	(20.85)	(2.27)	(20.85)

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 March 31, 2022 the carrying value of such instruments recognised at FVTPL amounts to ₹ 10,854.48 Lakhs (March 31, 2021 ₹ 63,651.31 Lakhs). The details of such investments in mutual funds is given in note 4.

The management expects that the exposure to risk of changes in market rates of these mutual funds is minimal.

(b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

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 March 31, 2022, sales to a customer approximated ₹ 51,451.98 Lakhs (or 16.39 % of net revenue) and during the year ended March 31, 2021, sales to such customer approximated ₹ Nil Lakhs (or Nil % of net revenue). Accounts receivable from such customer approximated ₹ 5,164.63 Lakhs (or 8.60 % of total receivables) at March 31, 2022 and ₹ Nil Lakhs (or Nil % of total receivables) at March 31, 2021. A loss of this customer could significantly affect the operating results or cash flows of the Company.

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

The reconciliation of ECL is as follows :

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of the year	25.66	224.67
Add: Allowance for the year based on ECL	(3.65)	(120.89)
Less: Utilisation for the year based on ECL	(10.73)	(78.12)
Total provision based on ECL	**11.28**	**25.66**

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

(c) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including, debt and overdraft / credit facilities from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual payments:

(₹ in Lakhs)

Particulars	Carrying amount	Less than 1 year	1 to 5 years	More than 5 year	Total
Year ended 31st March, 2022					
Interest bearing borrowings*	9,626.82	1,435.61	11,436.24	-	12,871.85
Trade payables	31,496.79	31,424.24	72.55	-	31,496.79
Derivatives	9.94	9.94	-	-	9.94
Lease liabilities	918.38	112.91	724.98	80.49	918.38
Other financial liabilities	2,520.16	2,520.16	-	-	2,520.16
Year ended 31st March, 2021					
Interest bearing borrowings*	19,719.27	6,517.04	16,447.26	-	22,964.30
Trade payables	24,251.02	24,063.21	187.81	-	24,251.02
Derivatives	421.66	22.60	399.06	-	421.66
Lease liabilities	1,008.98	90.59	655.83	262.56	1,008.98
Other financial liabilities	5,265.32	5,265.32	-	-	5,265.32

** The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.*

35. CAPITAL MANAGEMENT

For the purpose of the 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 maximise shareholder value through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The Company estimates the amount of capital required on the basis of annual business and long term operating plans which includes capital and other strategic investments. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

As at March 31, 2022, the Company meets its capital requirement through equity and borrowings from banks. The Company monitors its capital and debt on the basis of debt to equity ratio.

The debt equity ratio of the reporting period is as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Borrowings	14,828.25	19,719.27
Total Equity	2,24,693.42	1,98,647.13
Debt Equity Ratio	0.07	0.10

The Company's capital management amongst other things, aims to ensure that it meets financials covenants attached to borrowings.

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

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

Name of Entity	Principal activities	Country of Incorporation	Ownership %	
			31st March, 2022	31st March, 2021
Ratnamani INC	Trading of goods	United States of America	100%	100%

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

37. The code of Social Security, 2020 ('Code') relating to employee benefits during the employment and post-employment received Presidential assent in September 2020 and its effective date Is yet to be notified. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the financial impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective.

38. The search operations were carried out by the Income Tax Department at the Offices & Plants of the Company during the period from Nov 23, 2021, to Nov 27, 2021. The Company has not received any further communication or order from the department. The company does not foresee any material impact on the current or future business operations.

39. EVENTS AFTER THE REPORTING PERIOD

The Company evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 18, 2022, other than those disclosed and adjusted elsewhere in these financial statements, there were no further subsequent events to be reported or recognised.

40. RATIO ANALYSIS AND ITS ELEMENTS

Sr. No.	Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for variance
1	Current Ratio (times)	Current Assets	Current Liabilities	3.47	3.87	(10.42)	-
2	Debt- Equity Ratio (times)	Total Debt	Shareholder's Equity	0.07	0.10	(33.52)	Increase in Shareholders equity because of retained profit and payment of instalments relating to long term borrowings.
3	Debt Service Coverage Ratio (times)	Net Profit after Taxes+ Depreciation+Interest	Interest+Lease payments+Prinipal repayments	6.13	3.41	79.77	Improvement in EBIDTA and payment of instalments relating to long term borrowings.
4	Return on Equity Ratio (%)	Net Profit after Taxes	Shareholder's Equity	15.23%	14.94%	1.98	-
5	Inventory Turnover Ratio (times)	Revenue from operations	Average Inventory	3.81	3.29	15.64	-
6	Trade Receivable Turnover Ratio (times)	Revenue from operations	Average Trade Receivable	1.56	1.49	5.19	-

Notes to Standalone Financial Statements
For the year ended 31st March, 2022 (Contd.)

Sr. No.	Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for variance
7	Trade Payable Turnover Ratio (times)	Net Credit Purchases	Average Trade Payables	2.48	4.80	(48.35)	Reduction in credit purchases.
8	Net Capital Turnover Ratio (times)	Revenue from operations	Working capital = Current assets – Current liabilities	2.25	1.87	19.87	-
9	Net Profit Ratio (%)	Net Profit after Taxes	Revenue from operations	10.27%	12.01%	(14.44)	-
10	Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + DTL	18.56%	17.38%	6.75	-
11	Return on Investment (%)	Income Earned on investments	Weighted Average Investment	3.96%	5.04%	(21.43)	-

41. OTHER STATUTORY INFORMATION

i) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

ii) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.

iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

vii) The Company does not have any transactions with companies which are struck off.

viii) The Company has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

42. Figures of previous year's have been regrouped, wherever considered necessary to make them comparable to current year's figures.

As per our report of even date
For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : May 18, 2022

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

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

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Place : Village Indrad, Taluka Kadi
Date : May 18, 2022

Independent Auditor's Report

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

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Ratnamani Metals And Tubes Limited (the "Holding Company"), and its subsidiary (the Holding Company and the subsidiary together referred to as the "Group") comprising of the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act"), in the manner so required, and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
1.	**Recoverability of Trade Receivables** Year-end outstanding trade receivables represent balance outstanding from domestic and export customers. Trade receivables by nature carry certain risks in general which include overdue balances, customers in weaker economic and geopolitical environment, customer's ability to pay, provision in relation to expected credit loss, assessment of recovery process and compliance with risk management controls. Procedures to mitigate such risks include element of management judgement and are important to assess recoverability of trade receivables.	Our audit procedures among the other things, included the following: • 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 receivable. • Tested on a sample basis the ageing of trade receivables at year end. • In respect of material trade receivables, inspected relevant contracts and correspondence with the customers

Independent Auditor's Report (Contd.)

S. No.	Key Audit Matter	Auditor's Response
	Trade receivables has been considered a key audit matter in the audit due to size of the outstanding balances of trade receivables amounting to ₹ 60,075.53 lakh (Refer Note 06 of Financial Statements)	• 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 or any impact on account of recent Russia-Ukraine warfare, and assessed expected credit loss assessment provided and impact considered by the management • Assessing the reasonability of judgments exercised and estimates made by management in recognition of these receivables and validating them with corroborating evidence • Compared the collateral in the nature of bank guarantee/letter of credits provided by customers Obtained confirmations from customers on sample basis to support existence assertion of trade receivables • Evaluated the level of provisions made by management for trade receivables

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to the Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditors' responsibilities relating to other Information'. We have nothing to report in this regard.

Management's responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, including total comprehensive income, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act and the rules thereunder, 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 Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management and Board of Directors of the respective companies are responsible for assessing the Group'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 or Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the respective companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work: and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

Independent Auditor's Report (Contd.)

most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143(3) of the Act, based on our audit, we report that:

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

(b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidation of financial statements have been kept by the Holding Company so far as it appears from our examination of those books.

(c) The consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the consolidated financial statements comply with the Ind AS specified under section 133 of the Act and the Rules thereunder, as amended.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022, 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, 2022, 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 Holding Company with reference to the consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A' to this report.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended, we report that to the best of our information and according to the explanations given to us, remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 of 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, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements. Please refer Note No. 26(b).

(ii) The Group 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.

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

(iv) (a) The management of the Holding Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management of the Holding Company has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as provided in (a) and (b) above, contain any material misstatement.

(v) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 9 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members of the Holding Company at the ensuing Annual General Meeting. The dividend declared is in accordance with section123 of the Act to the extent it applies to declaration of dividend.

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

per Jinal A. Patel
Partner
Membership No.: 153599
UDIN : 2215399AJEEVA5937

Place : Ahmedabad
Date: May 18, 2022

Annexure A to Independent Auditor's Report

Annexure A to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Ratnamani Metals And Tubes Limited

Referred to in paragraph 1(f) under 'Report on other legal and regulatory requirements' section of our report of even date to the members of Ratnamani Metals And Tubes Limited.

Report on the internal financial controls with reference to the consolidated financial statements under section 143(3) (i) of the Act

We have audited the internal financial controls over financial reporting of the Holding Company as of March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's responsibility for internal financial controls

The Holding Company's management and Board of Directors are 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding 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 internal financial controls over financial reporting of the Holding Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the SAs prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

Meaning of internal financial controls over financial reporting

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

Inherent limitations of internal financial controls over financial reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to the consolidated financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 issued by the ICAI.

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

per Jinal A. Patel
Partner
Membership No.: 153599
UDIN : 2215399AJEEVA5937

Place : Ahmedabad
Date: May 18, 2022

Consolidated Balance Sheet

As at 31st March, 2022

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	87,352.66	86,437.79
Capital work-in-progress	3	10,679.23	7,632.35
Intangible assets	3	110.64	73.33
Financial assets	4		
Loans		5.48	9.95
Other financial assets		340.68	1,105.12
Other non-current assets	8	1,287.24	945.69
Total non-current assets		**99,775.93**	**96,204.23**
Current assets			
Inventories	5	1,11,197.17	53,688.71
Financial assets			
Investments	4	10,854.48	63,651.31
Trade receivables	6	60,075.53	40,257.31
Cash and cash equivalents	7 (a)	4,378.00	4,364.28
Other balances with banks	7 (b)	-	1,140.00
Loans	4	19.23	20.03
Other financial assets	4	2,764.91	623.49
Other current assets	8	7,182.76	1,709.43
Total current assets		**1,96,472.08**	**1,65,454.56**
TOTAL ASSETS		**2,96,248.01**	**2,61,658.79**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	9	934.56	934.56
Other equity	10	2,23,897.03	1,97,821.46
Total equity		**2,24,831.59**	**1,98,756.02**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	11	9,626.82	14,558.23
Lease liabilities	26 (a)	805.47	918.38
Other financial liabilities	14	211.65	812.01
Deferred tax liabilities (net)	12	4,203.10	3,933.99
Total non-current liabilities		**14,847.04**	**20,222.61**
Current liabilities			
Financial liabilities			
Borrowings	11	5,201.43	5,161.04
Lease liabilities	26 (a)	112.91	90.60
Trade payables	13		
Total outstanding dues of micro enterprises and small enterprises		1,120.70	900.59
Total outstanding dues of creditors other than micro enterprises and small enterprises		30,327.89	23,332.42
Other financial liabilities	14	2,308.51	4,852.37
Other current liabilities	15	16,472.65	5,955.69
Provisions	16	216.69	220.63
Current tax liabilities (net)	17	808.60	2,166.82
Total current liabilities		**56,569.38**	**42,680.16**
Total liabilities		**71,416.42**	**62,902.77**
TOTAL EQUITY AND LIABILITIES		**2,96,248.01**	**2,61,658.79**
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 KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : May 18, 2022

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

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

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Place : Village Indrad, Taluka Kadi
Date : May 18, 2022

Consolidated Statement of Profit & Loss

For the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Notes	Year Ended 31st March, 2022	Year Ended 31st March, 2021
INCOME			
Revenue from operations	18	3,13,877.72	2,29,813.15
Other income	19	3,770.22	4,340.75
Total income		**3,17,647.94**	**2,34,153.90**
EXPENSES			
Cost of raw materials and components consumed	20	2,32,463.48	1,35,984.44
Changes in inventories of finished goods and work-in-progress	21	(22,075.00)	11,153.67
Employee benefits expenses	22	15,914.05	14,179.20
Finance costs	23	2,135.82	2,290.02
Depreciation and amortisation expenses	3	8,020.72	5,685.47
Other expenses	24	38,094.56	28,514.90
Total expenses		**2,74,553.63**	**1,97,807.70**
Profit before tax		**43,094.31**	**36,346.20**
TAX EXPENSE			
Current tax	12	10,822.67	8,518.89
Excess provision for current tax of earlier years		(158.74)	(607.19)
Deferred tax	12	165.93	834.14
Total tax expense		**10,829.86**	**8,745.84**
Net profit for the year		**32,264.45**	**27,600.36**
Other comprehensive income			
a) Items that will not be reclassified to profit and loss in subsequent periods			
Re-measurement gains on defined benefit plans		56.39	198.87
Income tax effect		(14.19)	(50.05)
		42.20	**148.82**
b) Items that will be reclassified to profit and loss in subsequent periods			
Net movement in cash flow hedge reserve		409.94	125.68
Income tax effect		(103.18)	(31.63)
		306.76	**94.05**
Exchange differences on translation of foreign operations		4.08	(2.79)
		310.84	**91.26**
Total other comprehensive income for the year, net of tax		**353.04**	**240.08**
Total comprehensive income for the year, net of tax		**32,617.49**	**27,840.44**
Profit for the year attributable to:			
Equity holders of the parent		32,264.45	27,600.36
Non-controlling interest		-	-
Total comprehensive income attributable to:			
Equity holders of the parent		32,617.49	27,840.44
Non-controlling interest		-	-
Earnings per equity share [nominal value per share ₹ 2/- (March 31, 2021: ₹ 2/-)]	31		
Basic & Diluted		69.05	59.07
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 KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : May 18, 2022

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

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

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Place : Village Indrad, Taluka Kadi
Date : May 18, 2022

Consolidated Statement of Change in Equity

For the year ended 31st March, 2022

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each issued, subscribed and fully paid	No. in Lakhs	₹ in Lakhs
As at April 01, 2020	467.28	934.56
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2020	467.28	934.56
Issue of Equity Share Capital	-	-
As at March 31, 2021	467.28	934.56
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2021	467.28	934.56
Issue of Equity Share Capital	-	-
As at March 31, 2022	**467.28**	**934.56**

B. OTHER EQUITY (REFER NOTE-10)

(₹ in Lakhs)

Particulars	Reserves & Surplus					Other Comprehensive Income		Total Other Equity
	Securities Premium	Capital Reserve	Amalgamation Reserve	General Reserve	Retained Earnings	Cash Flow Hedge Reserve	Foreign Currency Translation Reserve	
As at April 01, 2020	2,279.06	490.04	392.11	72,625.16	94,773.24	(600.74)	22.15	1,69,981.02
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 01, 2020	2,279.06	490.04	392.11	72,625.16	94,773.24	(600.74)	22.15	1,69,981.02
Profit for the year	-	-	-	-	27,600.36	-	-	27,600.36
Other Comprehensive Income :								
Re-measurement loss on defined benefit plans (net of tax)	-	-	-	-	148.82	-	-	148.82
Foreign currency translation reserve	-	-	-	-	-	-	(2.79)	(2.79)
Net movement in cash flow hedge reserve (net of tax)	-	-	-	-	-	94.05	-	94.05
As at March 31, 2021	2,279.06	490.04	392.11	72,625.16	1,22,522.42	(506.69)	19.36	1,97,821.46
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 01, 2021	2,279.06	490.04	392.11	72,625.16	1,22,522.42	(506.69)	19.36	1,97,821.46
Profit for the year	-	-	-	-	32,264.45	-	-	32,264.45
Other Comprehensive Income :								
Re-measurement gain on defined benefit plans (net of tax)	-	-	-	-	42.20	-	-	42.20
Foreign currency translation reserve	-	-	-	-	-	-	4.08	4.08
Net movement in cash flow hedge reserve (net of tax)	-	-	-	-	-	306.76	-	306.76
Dividend paid (refer note-10)	-	-	-	-	(6,541.92)	-	-	(6,541.92)
As at March 31, 2022	**2,279.06**	**490.04**	**392.11**	**72,625.16**	**1,48,287.15**	**(199.93)**	**23.44**	**2,23,897.03**

As per our report of even date
For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : May 18, 2022

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

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

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Place : Village Indrad, Taluka Kadi
Date : May 18, 2022

Consolidated Statement of Cash Flow

For the Year Ended 31st March, 2022

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	43,094.31	36,346.20
Adjustments to reconcile profit before tax to net cash flows:		
Gain on Sale/Discard of property, plant and equipment & Capital Work-in-Progress (net)	(31.91)	(16.39)
Depreciation and amortisation expense	8,020.72	5,685.47
Interest income and fair value changes in financial instruments	(2,243.62)	(2,789.21)
Unrealised Foreign Exchange (Gain)/Loss	(196.32)	111.77
Provision for doubtful debts	(3.65)	(120.89)
Excess provision/liabilities no longer payable written back	(22.68)	(50.53)
Interest expense	1,727.80	2,016.96
Operating Profit before working capital changes	**50,344.65**	**41,183.38**
Working capital adjustments:		
(Increase) in trade receivables	(19,559.13)	(3,087.05)
(Increase)/Decrease in inventories	(57,508.46)	32,232.39
Decrease in loans	5.27	9.52
(Increase) in other financial assets	(1,339.58)	(158.81)
(Increase)/Decrease in other non-financial assets	(5,475.41)	5,397.73
Increase/(Decrease) in trade payables	7,176.80	(2,207.71)
Increase/(Decrease) in other liabilities	10,516.96	(15,012.23)
(Decrease)/Increase in other financial liabilities	(314.38)	2,044.22
Increase/(Decrease) in provisions	52.45	(147.91)
Cash generated from operations	**(16,100.83)**	**60,253.53**
Direct taxes paid (net)	(12,199.32)	(5,698.60)
Net Cash generated from operating activities	**(28,300.15)**	**54,554.93**
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets (including CWIP and capital advances)	(14,446.57)	(12,985.60)
Proceeds from sale of property, plant and equipment	80.27	89.03
Sales/(Purchase) of current investments (net)	52,796.83	(48,167.67)
Proceeds from Deposits With Banks (net)	1,140.00	10,617.23
Interest Income	2,206.22	3,446.30
Net Cash used in investing activities	**41,776.75**	**(47,000.71)**

Consolidated Statement of Cash Flow

For the Year Ended 31st March, 2022

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
C: CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from long term borrowings	-	2,500.00
Repayment of long term borrowings	(4,995.90)	(4,034.68)
Repayment of short term borrowings (net)	(79.61)	(4,356.04)
Dividend paid	(6,541.92)	-
Payment of principal portion of lease liabilities	(90.60)	(82.38)
Interest paid (Including Interest Payment on lease liabilities)	(1,745.81)	(1,905.40)
Net Cash (used in)/generated from financing activities	**(13,453.84)**	**(7,878.50)**
Net Increase/(Decrease) in Cash and Cash Equivalents	**22.76**	**(324.28)**
Effect of Foreign currency translation reserve	4.08	(2.79)
Effect of Exchange difference on Cash and Cash equivalents held in foreign currency	(13.12)	13.24
Cash and Cash Equivalents at the beginning of the year	4,364.28	4,678.11
Cash and Cash Equivalents at the end of the year (refer note 7(a))	**4,378.00**	**4,364.28**

Notes:

a) The Consolidated Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

b) Disclosure of change in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are given below:

(₹ in Lakhs)

Particulars	As at 1st April, 2020	Cash flows	Foreign exchange movement	Changes in Fair Value	Other Changes#	As at 31st March, 2021
Long term borrowings	17,562.51	(3,460.56)	456.38	-	-	14,558.33
Short term borrowings	7,591.10	(2,430.06)	-	-	-	5,161.04
Interest	233.58	(1,905.40)	-	-	1,902.14	230.32
Lease liabilities	1,091.36	(82.38)	-	-	-	1,008.98
Total	**26,478.55**	**(7,878.40)**	**456.38**	**-**	**1,902.14**	**20,958.67**

Particulars	As at 1st April, 2021	Cash flows	Foreign exchange movement	Changes in Fair Value	Other Changes#	As at 31st March, 2022
Long term borrowings	14,558.33	(5,116.00)	184.49	-	-	9,626.82
Short term borrowings	5,161.04	40.39	-	-	-	5,201.43
Interest	230.32	(1,745.81)	-	-	1,688.34	172.85
Lease liabilities	1,008.98	(90.60)	-	-	-	918.38
Total	**20,958.67**	**(6,912.02)**	**184.49**	**-**	**1,688.34**	**15,919.48**

Other changes in interest accrued represents accrual of Interest during the year.

As per our report of even date
For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : May 18, 2022

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

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

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Place : Village Indrad, Taluka Kadi
Date : May 18, 2022

Notes to Consolidated Financial Statements

For the Year Ended 31st March, 2022

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 March 31, 2022. The Company is a public Company domiciled in India and incorporated under the provisions of the Companies Act, applicable in India. Its shares are listed on two stock exchanges in India. The registered office of the Company is located at 17, Rajmugat Society, Naranpura Char Rasta, Naranpura, Ahmedabad, Gujarat. The Company is engaged in the manufacturing of stainless steel pipes and tubes and carbon steel pipes at Kutch, Indrad and Chhatral in the state of Gujarat. The Company caters to both domestic and international markets.

The consolidated financial statements were authorised for issue in accordance with a resolution passed in Board Meeting held on May 18, 2022.

2. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) including the Companies (Indian Accounting Standards) Amendment Rules, 2019 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements of the Group.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments) and derivative financial instruments.

The consolidated financial statements are presented in ₹ and all values are rounded to the nearest Lakhs (₹ 00,000), except where otherwise indicated.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. PRINCIPLES OF CONSOLIDATION :

The consolidated financial statements comprise the financial statements of the Company and its subsidiary, Ratnamani INC USA for the year ended March 31, 2022. In the preparation of consolidated financial statements, investment in subsidiary has been accounted for in accordance with Ind AS 110 on 'Consolidated Financial Statements'. Consolidated financial statements have been prepared on the following basis:

i) Subsidiary is fully consolidated from the date of incorporation, being the date on which the Company obtains control, and continues to be consolidated until the date that such control ceases (including through voting rights). Subsidiary has been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions. The unrealised profits resulting from intra-group transactions that are included in the carrying amount of assets are eliminated in full

ii) Financial statements of the subsidiary are prepared for the same reporting year as the parent Company, using consistent accounting policies. As far as possible, the consolidated financial statements have been prepared using uniform accounting policies, consistent with the Company's stand-alone financial statements for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements. Any deviation in accounting policies is disclosed separately

iii) On consolidation, the assets and liabilities of foreign operations are translated into ₹ at the exchange rate prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the date of transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income (OCI)

iv) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements

Notes to Consolidated Financial Statements For the year ended 31st March, 2022 (Contd.)

v) The subsidiary considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	% of Ownership interest as at	
		31st March, 2022	31st March, 2021
Ratnamani INC	United States of America	100%	100%

b. CURRENT VERSUS NON-CURRENT CLASSIFICATION:

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve month as its operating cycle.

c. FOREIGN CURRENCIES:

The Group's consolidated financial statements are presented in ₹, which is also the Group's functional currency. The Group determines the functional currency and items included in the consolidated financial statements are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the Group's functional currency at the exchange rates prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are restated in the functional currency at the exchange rates prevailing on the reporting date of financial statements.

Exchange differences arising on settlement of such transactions and on translation of monetary items are recognised in the Consolidated Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates on the dates of the initial transactions.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

d. FAIR VALUE MEASUREMENT:

The Group measures financial instruments, such as, derivatives at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Management determines the policies and procedures for both recurring fair value measurement, such as derivative financial instruments and unquoted financial assets measured at fair value, and for non-recurring fair value measurement.

External valuers are involved for valuation of significant assets, such and unquoted financial assets. Involvement of external valuers is decided upon annually by the Management after discussion with and approval by the Group's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant accounting judgements, estimates and assumptions (refer note 33 and 34)
- Quantitative disclosures of fair value measurement hierarchy (refer note 33.2)

- Financial instruments (including those carried at amortised cost) (refer note 33.1)

e. **PROPERTY, PLANT AND EQUIPMENT (PPE):** PPE and Capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and borrowing costs if capitalisation criteria are met, the cost of replacing part of the property, plant and equipment and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhauling is performed, its cost is recognised in the carrying amount of the PPE as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of parts replaced, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

CWIP comprises of cost of PPE that are yet not installed and not ready for their intended use at the Balance Sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if applicable.

The Group calculates depreciation on items of property, plant and equipment on a straight-line basis using the rates arrived at based on the useful lives defined under Schedule II of the Companies Act, 2013, except in respect of following fixed assets:

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

(ii) Furnace and X-ray machines are depreciated at an annual rate of 20% to bring the depreciation rates in line with the useful life of assets as estimated by the Technical Team of the Group.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

f. **INTANGIBLE ASSETS:**

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost, less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets in the form of softwares are amortised on a straight-line basis over six years. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

g. **BORROWING COSTS:**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

h. IMPAIRMENT OF NON-FINANCIAL ASSETS:

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

i. LEASES:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee:

I. Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Assets	Estimated Useful Life
Right-of-use of office premises and leasehold land	Over the balance period of lease agreement

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in relating to Impairment of non-financial assets.

II. Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

III. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment, offices and windmills (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value amounting to ₹ 2 Lakhs. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

IV. Leases previously classified as finance leases

The Group did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for lease previously classified as finance leases, i.e. the right to use of assets and lease liabilities equal to the lease assets and liabilities recognised under Ind AS 17. The requirements of Ind AS 116 was applied to those leases from April 01, 2019.

j. **FINANCIAL INSTRUMENTS:**

A Financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.1(l) Revenue from contracts with customers.

Subsequent measurement

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

- Financial assets instruments at amortised cost (debt instruments)

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

- Financial assets at fair value through other comprehensive income (FVTOCI)

- Financial assets at fair value through profit or loss (FVTPL) (Derivatives and Equity Instruments)

Financial assets at amortised cost (debt instruments)

A 'financial assets' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade, loans and other receivables.

Financial Assets at FVTOCI

Financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value, recognised in other comprehensive income (OCI).

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the asset that give rise on specified dates to cash flows that represent solely payment of principal and interest.

Financial Assets at FVTPL

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and investments in equity instruments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on such investments are recognised in the statement of profit and loss when the right of payment has been established.

Financial Assets included within the FVTPL category are measured at fair value with all changes recognised in the consolidated statement of Profit and Loss.

Equity investments

Investments in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements. All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions – see note 2.2
- Financial Assets at FVTPL – see note 2.1 (j)
- Trade receivables and contract assets – see note 6 and 2.1(l)

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

Under the simplified approach the Group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default over the expected life of a financial instrument.

The Group considers a financial asset in default when contractual payments are overdue. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

The Balance Sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

Financial liabilities & Equity Instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including cash credit facilities from banks and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

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

Financial liabilities at fair value through Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through statement of Profit and Loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k. INVENTORIES:

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Scrap is valued at net realisable value. Cost is determined on a Weighted Average method.

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, incurred in bringing them in their respective present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to make the sale.

l. REVENUE:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 0 to 180 days upon delivery, usually backed by financial arrangements in some cases.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

significant financing components, noncash consideration, and consideration payable to the customer (if any). Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of GST, trade discounts & other taxes, adjustments for late delivery charges and material returned/rejected.

Variable Consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right of liquidated damages. The liquidated damages give rise to variable consideration.

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

ii) The Group accounts for pro forma credits, refunds of duty of customs or refunds of sales tax in the year of admission of such claims by the concerned authorities. Benefits in respect of Export Licenses are recognised on application. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same

iii) Dividend is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend

iv) Interest Income is recognised on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss

v) Revenue from windmills is recognised on unit generation basis, in accordance with the terms of power purchase agreements

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (j) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities (Advance from customers)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities (advance from customers) are recognised as revenue when the Group performs under the contract.

m. RETIREMENT AND OTHER EMPLOYEE BENEFITS:

Retirement benefits in the form of provident fund and superannuation fund are defined contribution plans. The Group has no obligation, other than the contributions payable to provident fund and superannuation fund. The Group recognises contribution payable to these funds as an expense, when an employee renders the related service.

In respect of gratuity liability, the Group operates defined benefit plan wherein contributions are made to a separately administered fund. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each reporting date being carried out using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs; and
- Net interest expense or income

The liability in respect of unused leave entitlement of the employees as at the reporting date is determined on the basis of an independent actuarial valuation carried out and the liability is recognised in the Statement of Profit and Loss. The Group presents the entire leave as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Actuarial gain and loss is recognise in full in the period in which they occur in the Statement of Profit and Loss.

n. TAXES:

Tax expense comprises of current income tax and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable Profit and Loss
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against the deductible temporary differences, except:

- When the deferred tax asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

o. PROVISIONS:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

p. DERIVATIVE FINANCIAL INSTRUMENTS:

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks, interest rate, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. The Group uses forward currency contracts and interest rate swaps as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

q. EARNINGS PER SHARE:

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

r. CASH AND CASH EQUIVALENT:

Cash and cash equivalents in the Balance Sheet comprise cash at banks and in hand and term deposits with an original maturity of three months or less, which are subject to an insignificant risk of charges in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

s. CASH DIVIDEND:

The Group recognises a liability to make cash or non-cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.2 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgement, which have the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

Revenue from contracts with customers

The Group applied the following judgement that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining method to estimate variable consideration and assessing the constraint.

Certain contracts with customers include Liquidated Damages that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which customer will be entitled. The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for revenue from contract with customer. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract with the customer. Before adjusting any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

Further details about gratuity obligations are given in note 25.

Useful Life of Property Plant & Equipment and Intangible assets

Property, Plant and Equipment and Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful life and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is revised if there are significant changes from previous estimates.

Fair value measurement for financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 33 and 34 for further disclosures.

2.3 AMENDMENTS TO SCHEDULE III OF THE COMPANIES ACT, 2013:

Ministry of Corporate Affairs (MCA) issued notifications dated March 24, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Group in its financial statements. These amendments are applicable to the Group for the financial year starting April 01, 2021 and applied to the consolidated financial statements:

a. Lease liabilities separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current

b. Certain additional disclosures in the consolidated Statement of Changes in Equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period

c. Additional disclosure for shareholding of promoters

d. Additional disclosure for ageing schedule of trade receivables, trade payables, capital work-in-progress

e. Specific disclosure such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in the name of the Group, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties etc

f. Additional disclosures relating to Corporate Social Responsibility (CSR) and undisclosed income

2.4 RECENT ACCOUNTING PRONOUCEMENTS ISSUED BUT NOT YET EFFECTIVE:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from April 01, 2022.

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are not expected to have a material impact on the Group.

(ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are not expected to have a material impact on the Group.

(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are not expected to have a material impact on the Group.

(iv) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial Liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are not expected to have a material impact on the Group.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

3. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Right of Use		Freehold land	Buildings	Plant & Machinery	Furniture & fixture	Vehicles	Office equipment	Total
	Leasehold land	Office Premises							
Cost									
As at April 01, 2020	42.57	1,167.42	4,433.89	12,019.77	57,185.62	857.01	2,223.76	758.77	78,688.81
Additions	-	-	450.55	7,331.31	34,119.02	56.96	179.20	132.75	42,269.79
Disposals	-	-	-	-	49.31	-	228.13	0.54	277.98
As at March 31, 2021	42.57	1,167.42	4,884.44	19,351.08	91,255.33	913.97	2,174.83	890.98	1,20,680.62
Additions	-	-	1,371.30	1,841.82	5,812.01	4.34	283.36	105.46	9,418.29
Disposals	-	-	-	-	532.44	50.31	116.90	45.07	744.72
As at March 31, 2022	**42.57**	**1,167.42**	**6,255.74**	**21,192.90**	**96,534.90**	**868.00**	**2,341.29**	**951.37**	**1,29,354.19**
Depreciation/Amortization and Impairment									
As at April 01, 2020	3.08	87.52	-	1,991.46	25,307.42	309.78	712.34	363.44	28,775.04
Depreciation/Amortisation for the year	3.09	138.75	-	494.50	4,561.51	72.59	278.37	124.32	5,673.13
Disposals	-	-	-	-	46.76	-	158.08	0.50	205.34
As at March 31, 2021	6.17	226.27	-	2,485.96	29,822.17	382.37	832.63	487.26	34,242.83
Depreciation/Amortisation for the year	3.08	138.75	-	768.06	6,587.27	75.77	292.42	136.63	8,001.98
Disposals	-	-	-	-	71.72	47.85	82.47	41.24	243.28
As at March 31, 2022	**9.25**	**365.02**	**-**	**3,254.02**	**36,337.72**	**410.29**	**1,042.58**	**582.65**	**42,001.53**
Net Block									
As at March 31, 2022	**33.32**	**802.40**	**6,255.74**	**17,938.88**	**60,197.18**	**457.71**	**1,298.71**	**368.72**	**87,352.66**
As at March 31, 2021	36.40	941.15	4,884.44	16,865.12	61,433.16	531.60	1,342.20	403.72	86,437.79

i) Buildings includes ₹ 47.80 Lakhs (March 31, 2021 ₹ 47.80 Lakhs) representing cost of unquoted fully paid shares held in co-operative housing societies.

(b) Intangible Assets

(₹ in Lakhs)

Particulars	Software
Cost	
As at April 01, 2020	242.39
Additions	8.12
As at March 31, 2021	250.51
Additions	56.11
Disposals	1.03
As at March 31, 2022	**305.59**
Amortisation and Impairment	
As at April 01, 2020	164.77
Amortisation for the year	12.41
As at March 31, 2021	177.18
Amortisation for the year	18.74
Disposals	0.97
As at March 31, 2022	**194.95**
Net Block	
As at March 31, 2022	**110.64**
As at March 31, 2021	73.33

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

(c) Capital work-in-progress

(₹ in Lakhs)

Particulars	Amount
As at March 31, 2022	**10,679.23**
As at March 31, 2021	7,632.35

Capital work in progress (CWIP) Ageing Schedule

As at March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year`	1-2 years	2-3 years	More than 3 year	
Projects in progress	7,100.04	3296.27*	13.96*	173.31*	10,583.58
Projects temporarily suspended	-	-	-	95.65**	95.65
Total	**7,100.04**	**3,296.27**	**13.96**	**268.96**	**10,679.23**

As at March 31, 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year`	1-2 years	2-3 years	More than 3 year	
Projects in progress	5,158.87	2130.42*	19.34*	228.07*	7,536.70
Projects temporarily suspended	-	-	-	95.65**	95.65
Total	**5,158.87**	**2,130.42**	**19.34**	**323.72**	**7,632.35**

CWIP completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan: None (March 31, 2021 : None).

* The Group has acquired certain Plant & Machineries to be used in the CAPEX in future, when finalised.

** This represents value after providing for impairment in earlier years.

4. FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Investments		
Non-Trade Investments		
Investments in Mutual Funds (Quoted) (at fair value through profit and loss)		
Nil (March 31, 2021: 13,947.339) Units of DSP Mutual Fund Growth	-	410.21
325,658.086 (March 31, 2021: 217,609.654) Units of SBI Liquid Fund Direct Growth	10,854.48	7,010.53
Nil (March 31, 2021: 11,72,813.654) Units of Baroda Liquid Fund Plan B Direct Growth	-	32,789.11
Nil (March 31, 2021: 13,510.265) units of LIC MF Liquid Fund Direct Growth	-	504.86
Nil (March 31, 2021: 43,770.043) Units of Axis Liquid Fund - Direct Growth - CFDG	-	1,000.06
Nil (March 31, 2021: 883,617.241) units of Axis Treasury Advantage Fund - Direct Growth - TADG	-	21,936.54
	10,854.48	**63,651.31**
Current	10,854.48	63,651.31
Non-Current	-	-
	10,854.48	**63,651.31**
Aggregate value of Unquoted Investments	-	-
Aggregate book value of Quoted Mutual Funds	10,854.48	63,651.31
	10,854.48	**63,651.31**
Aggregate market value of Quoted Mutual Funds (refer note-33)	10,854.48	63,651.31
Loans (Unsecured, Considered Good)		
Loans to employees	24.71	29.98
	24.71	**29.98**
Current	19.23	20.03
Non-Current	5.48	9.95
	24.71	**29.98**

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Other Financial Assets		
Interest accrued	70.14	30.30
Security deposits	445.41	438.78
Margin money with banks	2,115.00	975.00
Derivative instruments at fair value through profit or loss:		
Cash flow hedges		
Currency and interest rate swaps	195.37	-
Wind-Mill surplus receivable	134.31	86.14
Gratuity fund (refer note-25)	-	65.02
Others	145.36	133.37
	3,105.59	**1,728.61**
Current	2,764.91	623.49
Non-Current	340.68	1,105.12
	3,105.59	**1,728.61**

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)

Deposits aggregating to ₹ 2,115.00 Lakhs (March 31, 2021: ₹ 2,115.00 Lakhs) are pledged / lien against bank overdraft facility.

There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

a) repayable on demand; or

b) without specifying any terms or period of repayment"

5. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw materials		
Raw materials and components	62,090.85	30,073.96
Raw materials in transit	3,207.98	337.24
Work-in-progress	30,538.41	12,704.58
Finished goods		
Finished goods	7,407.85	5,622.68
Finished goods in transit	4,035.06	1,579.06
Stores and spares	3,917.02	3,371.19
	1,11,197.17	**53,688.71**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

6. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade receivables		
Secured, considered good	12,776.25	5,775.62
Unsecured, considered good	47,299.28	34,481.69
Trade receivables which have significant increase in credit Risk	-	-
Trade receivables - credit impaired	11.28	25.66
	60,086.81	**40,282.97**
Impairment allowance (allowance for bad and doubtful debts)		
Trade receivables - credit impaired	11.28	25.66
Total trade receivables	**60,075.53**	**40,257.31**
Above includes :		
Receivables from related parties, unsecured, considered good (refer note-30)	154.74	99.89

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

Refer note 34 (b) for credit risk evaluation.

Following is the movement of allowance for expected credit losses of trade receivables: (₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
As at April 1	25.66	224.67
Provision for expected credit losses	7.11	8.97
Provision for expected credit losses utilised (refer note-24)	(10.73)	(78.12)
Provision for expected credit losses reversed	(10.76)	(129.86)
As at March 31	11.28	25.66

Trade receivables Ageing Schedule

As at March 31, 2022

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	40,048.80	15,213.12	4,457.35	356.26	-	-	60,075.53
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	11.28	-	-	11.28
Total (a)	**40,048.80**	**15,213.12**	**4,457.35**	**367.54**	**-**	**-**	**60,086.81**
Less:-							
Trade Receivables - credit impaired (b)							(11.28)
Total (a)-(b)							**60,075.53**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

As at March 31, 2021

(₹ in Lakhs)

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	23,048.72	16,230.48	963.42	12.7	0.15	1.84	40,257.31
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	25.66	-	-	25.66
Total (a)	**23,048.72**	**16,230.48**	**963.42**	**38.36**	**0.15**	**1.84**	**40,282.97**
Less:-							
Trade Receivables - credit impaired (b)							(25.66)
Total (a)-(b)							**40,257.31**

7. CASH AND BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) Cash and Cash Equivalents		
Balances with Banks		
In Current accounts	3,846.67	1,993.61
Deposits with original maturity of three months or less	-	2,200.00
Unpaid dividend accounts	160.00	151.05
Unpaid CSR fund	354.36	-
Cash on hand	16.97	19.62
	4,378.00	**4,364.28**
(b) Other balances with banks		
Deposits with original maturity of more than three months but less than twelve months	-	1,140.00
	4,378.00	**5,504.28**

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, 2022 (Contd.)

8. OTHER ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Capital advances	640.01	424.06
Investment in silver	0.84	0.84
Prepaid expense	366.11	315.16
Advance receivable in cash or kind		
Advance for material	710.03	1,033.57
Excise / GST claim receivables	676.94	28.09
Duty entitlement pass book / Import licenses	15.24	-
Balances with government authorities	5,290.30	331.25
Export benefits receivable	154.40	27.86
Others	6.82	8.50
	6,853.73	**1,429.27**
	7,860.69	**2,169.33**
Non-Current tax assets (net)	609.31	485.79
	8,470.00	**2,655.12**
Current	7,182.76	1,709.43
Non-Current	1,287.24	945.69
	8,470.00	**2,655.12**

9. SHARE CAPITAL

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. in Lakhs	₹ in Lakhs	No. in Lakhs	₹ in Lakhs
Authorised Share Capital	750.00	1,500.00	750.00	1,500.00
Increase/(decrease) during the year	-	-	-	-
	750.00	**1,500.00**	**750.00**	**1,500.00**

Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 2/- per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of Directors is subject to approval of the Shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by Share holders.

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. in Lakhs	₹ in Lakhs	No. in Lakhs	₹ in Lakhs
Issued Share Capital				
Equity shares of ₹ 2 each issued, subscribed and fully paid	467.28	934.56	467.28	934.56
Increase/(decrease) during the year	-	-	-	-
	467.28	**934.56**	**467.28**	**934.56**

The Board of Directors at its meeting held on May 18, 2022 has approved issue of bonus equity shares in the ratio of one equity share of ₹2.00 each for every two equity shares of ₹2.00 each held, subject to approval by the members of the Group.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

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

Name of the Shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% held	No. of Shares	% held
Prakash M. Sanghvi	72,18,385	15.45%	72,18,385	15.45%
Jayanti M. Sanghvi	39,11,025	8.37%	39,11,025	8.37%
Nalanda India Fund Limited	28,50,155	6.10%	28,50,155	6.10%
Kotak Emerging Equity Scheme	23,35,257	5.00%	19,69,734	4.22%
L&T Mutual Fund Trustee Limited	18,92,069	4.05%	24,30,447	5.20%

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.

Details of shares held by promoters

As at March 31, 2022

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Prakash M. Sanghvi	72,18,385	-	72,18,385	15.45	-
	Jayanti M. Sanghvi	39,11,025	-	39,11,025	8.37	-
	Shantilal Mishrimal Sanghvi	18,16,995	-	18,16,995	3.89	-
	Reshmidevi P. Sanghvi	15,63,750	-	15,63,750	3.35	-
	Vimla Pavan Sanghvi	14,24,080	-	14,24,080	3.05	-
	Chunilal M. Sanghvi	12,71,010	-	12,71,010	2.72	-
	Manoj P. Sanghvi	9,69,495	-	9,69,495	2.07	-
	Nilesh Prakash Sanghvi	9,34,800	-	9,34,800	2.00	-
	Prashant J. Sanghvi	7,76,740	-	7,76,740	1.66	-
	Jigar Prakash Sanghvi	7,56,320	-	7,56,320	1.62	-
	Shantaben Babulal Sanghvi	5,28,915	-	5,28,915	1.13	-
	Babulal Mishrimal Sanghvi (HUF)	5,05,495	-	5,05,495	1.08	-
	Sanghvi Shantilal Mishrimal (HUF)	4,62,165	-	4,62,165	0.99	-
	Shobhnadevi Jayantilal Sanghvi	4,56,415	-	4,56,415	0.98	-
	Jayantilal M Sanghvi (HUF)	4,56,665	-	4,56,665	0.98	-
	Sanghvi Chunilal Mishrimal (HUF)	4,09,000	-	4,09,000	0.88	-
	Chandra Vijay Sanghvi	3,53,125	-	3,53,125	0.76	-
	Ravi Pavan Sanghvi	5,80,415	-	5,80,415	1.24	-
	Usha M. Sanghvi	2,59,830	-	2,59,830	0.56	-
	Shashi Shantilal Sanghvi	8,38,250	-	8,38,250	1.79	-
	Jitendra Babulal Sanghvi	2,47,160	-	2,47,160	0.53	-
	Dimple Manoj Sanghvi	2,12,500	-	2,12,500	0.45	-
	Yash Shantilal Sanghvi	3,12,000	-	3,12,000	0.67	-
	Sarika Prashant Sanghvi	1,75,000	-	1,75,000	0.37	-
	Pavan Sanghvi	6,58,165	-	6,58,165	1.41	-
	Babulal M. Sanghvi	1,39,330	-	1,39,330	0.30	-
	Pavankumar Mishrimal Sanghvi (HUF)	1,31,250	-	1,31,250	0.28	-
	Sanghvi Prakashmal Mishrimal (HUF)	5,07,330	-	5,07,330	1.09	-
	Vijay C. Sanghvi	50,810	-	50,810	0.11	-
	Pinky Jitendra Sanghvi	50,000	-	50,000	0.11	-
	Arunaben C. Sanghvi	45,205	-	45,205	0.10	-
	Mahendra C. Sanghvi	40,000	-	40,000	0.09	-
	Sheetal Nilesh Sanghvi	25,000	-	25,000	0.05	-
	Rishabh M. Sanghvi	25,000	-	25,000	0.05	-
Total		**2,81,11,625**	**-**	**2,81,11,625**	**60.16**	**-**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

As at March 31, 2021

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Prakash M. Sanghvi	72,18,385	-	72,18,385	15.45	-
	Jayanti M. Sanghvi	39,11,025	-	39,11,025	8.37	-
	Shantilal Mishrimal Sanghvi	18,16,995	-	18,16,995	3.89	-
	Reshmidevi P. Sanghvi	15,63,750	-	15,63,750	3.35	-
	Vimla Pavan Sanghvi	14,24,080	-	14,24,080	3.05	-
	Chunilal M. Sanghvi	12,71,010	-	12,71,010	2.72	-
	Manoj P. Sanghvi	9,69,495	-	9,69,495	2.07	-
	Nilesh Prakash Sanghvi	9,34,800	-	9,34,800	2.00	-
	Prashant J. Sanghvi	7,76,740	-	7,76,740	1.66	-
	Jigar Prakash Sanghvi	7,56,320	-	7,56,320	1.62	-
	Shantaben Babulal Sanghvi	5,28,915	-	5,28,915	1.13	-
	Babulal Mishrimal Sanghvi (HUF)	5,05,495	-	5,05,495	1.08	-
	Sanghvi Shantilal Mishrimal (HUF)	4,62,165	-	4,62,165	0.99	-
	Shobhnadevi Jayantilal Sanghvi	4,56,415	-	4,56,415	0.98	-
	Jayantilal M Sanghvi (HUF)	4,56,665	-	4,56,665	0.98	-
	Sanghvi Chunilal Mishrimal (HUF)	4,09,000	-	4,09,000	0.88	-
	Chandra Vijay Sanghvi	3,53,125	-	3,53,125	0.76	-
	Ravi Pavan Sanghvi	5,80,415	-	5,80,415	1.24	-
	Usha M. Sanghvi	2,59,830	-	2,59,830	0.56	-
	Shashi Shantilal Sanghvi	8,38,250	-	8,38,250	1.79	-
	Jitendra Babulal Sanghvi	2,47,160	-	2,47,160	0.53	-
	Dimple Manoj Sanghvi	2,12,500	-	2,12,500	0.45	-
	Yash Shantilal Sanghvi	3,12,000	-	3,12,000	0.67	-
	Sarika Prashant Sanghvi	1,75,000	-	1,75,000	0.37	-
	Pavan Sanghvi	6,58,165	-	6,58,165	1.41	-
	Babulal M. Sanghvi	1,39,330	-	1,39,330	0.30	-
	Pavankumar Mishrimal Sanghvi (HUF)	1,31,250	-	1,31,250	0.28	-
	Sanghvi Prakashmal Mishrimal (HUF)	5,07,330	-	5,07,330	1.09	-
	Vijay C. Sanghvi	50,810	-	50,810	0.11	-
	Pinky Jitendra Sanghvi	50,000	-	50,000	0.11	-
	Arunaben C. Sanghvi	45,205	-	45,205	0.10	-
	Mahendra C. Sanghvi	40,000	-	40,000	0.09	-
	Sheetal Nilesh Sanghvi	25,000	-	25,000	0.05	-
	Rishabh M. Sanghvi	25,000	-	25,000	0.05	-
Total		**2,81,11,625**	**-**	**2,81,11,625**	**60.16**	**-**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

10. OTHER EQUITY

(₹ in Lakhs)

	Particulars	As at 31st March, 2022	As at 31st March, 2021
a)	**Securities Premium**		
	Opening balance	2,279.06	2,279.06
	Increase/(decrease) during the year	-	-
		2,279.06	**2,279.06**
	Securities premium is used to record the premium on issue of shares. This reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.		
	OTHER RESERVES		
b)	**Foreign Exchange Translation reserve**		
	Opening balance	19.36	22.15
	Increase/(decrease) during the year	4.08	(2.79)
		23.44	**19.36**
	Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.		
c)	**Capital Reserve**		
	Opening balance	490.04	490.04
	Increase/(decrease) during the year	-	-
		490.04	**490.04**
	Capital reserve is mainly used to record the reserves created on receipt of state/central subsidies and amount forfeited towards the forfeiture of equity warrants issued. This reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.		
d)	**Amalgamation Reserve**		
	Opening balance	392.11	392.11
	Increase/(decrease) during the year	-	-
		392.11	**392.11**
	Amalgamation reserve is used to record the reserves created on amalgamation of Ratnamani Engineering Ltd. and Ratnamani Fine Tubes Pvt. Ltd. This reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.		
e)	**General Reserve**		
	Opening balance	72,625.16	72,625.16
	Increase/(decrease) during the year	-	-
		72,625.16	**72,625.16**
	Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.		
	Other Comprehensive Income		
f)	**Cash flow hedge reserve**		
	Opening balance	(506.69)	(600.74)
	Net movement during the year	306.76	94.05
		(199.93)	**(506.69)**
	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.		

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
g) Retained Earnings		
Opening balance	1,22,522.42	94,773.24
Profit for the year	32,264.45	27,600.36
Other Comprehensive Income		
Re-measurement gain on defined benefit plans (net of tax)	42.20	148.82
Dividend paid	(6,541.92)	-
	1,48,287.15	**1,22,522.42**
Total Other Equity (a+b+c+d+e+f+g)	**2,23,897.03**	**1,97,821.46**

(₹ in Lakhs)

Distribution made and proposed	As at 31st March, 2022	As at 31st March, 2021
Cash dividend on equity shares declared and paid		
Final Dividend for the year ended March 31, 2021: ₹ 14.00 per share (for the year ended March 31, 2020: ₹ Nil per share)	6,541.92	-
	6,541.92	**-**
Proposed dividend on equity shares		
Final Dividend for the year ended March 31, 2022: ₹ 14.00 per share (for the year ended March 31, 2021: ₹ 14.00 per share)	6,541.92	6,541.92
	6,541.92	**6,541.92**
	13,083.84	**6,541.92**

Proposed dividends on equity shares are subject to approval at the ensuing Annual General Meeting and are not recognised as a liability as at March 31.

The Board of Directors at its meeting held on May 18, 2022, proposed a dividend of ₹ 14.00 per share having face value of ₹ 2.00 (pre-bonus), which translates into final dividend of ₹ 9.33 per equity share having face value of ₹ 2.00 (post-bonus) for the year ended March 31, 2022, subject to approval by the members of the Group.

The Group declares and pays dividend in Indian rupees in accordance with its dividend distribution policy. The Finance Act 2020 has repealed the Dividend Distribution Tax (DDT). Companies are now required to pay/distribute dividend after deducting applicable taxes. The remittance of dividend outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

11. BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Long term Borrowing (refer note-a)		
External (Foreign) Commercial Borrowings (Secured) (refer note-a)	8,890.75	12,452.16
Less:- Current maturity grouped as short term borrowing	3,951.43	3,831.43
	4,939.32	**8,620.73**
Term Loan (Secured)	5,937.50	7,187.50
Less:- Current maturity grouped as short term borrowing	1,250.00	1,250.00
	4,687.50	**5,937.50**
	9,626.82	**14,558.23**
Short term Borrowings		
Current maturity of Long Term Borrowings (Secured)(refer note-a)	5,201.43	5,081.43
Cash credit/export packing credit facilities (secured)(refer note-b)	-	79.61
	5,201.43	**5,161.04**
Total Borrowings	**14,828.25**	**19,719.27**
Current	5,201.43	5,161.04
Non-Current	9,626.82	14,558.23
	14,828.25	**19,719.27**

a) Long Term Borrowings are secured by - i) a first pari passu charge on entire manufacturing movable fixed assets; ii) a first pari passu mortgage and charge on immovable properties situated at Indrad, Kadi and Anjar, Kutch all in the State of Gujarat; iii) a second pari passu charge on entire current assets in the form of inventories, book-debts and all other movable assets.

External (Foreign) Commercial Borrowing of ₹ 8,890.75 Lakhs (March 31, 2021 ₹ 12,452.16) carry interest @ 3M Libor plus 100 basis point. The loan is repayable in 16 quarterly instalments between July 29, 2020 till April 29, 2024.

Term Loan of ₹ 5,937.50 Lakhs (March 31, 2021 ₹ 7,187.50) carry interest @ 3M MCLR plus 15 basis point. The loan is repayable in 24 equal quarterly instalments between March 31, 2021 till December 31, 2026.

b) Short term Borrowings are secured by - i) a first pari passu charge on entire current assets in the form of inventories, book-debts, all other movable assets; ii) a second pari passu charge on entire manufacturing movables fixed assets; iii) a second pari passu mortgage and charge on immovable properties situate at Indrad, Kadi and Anjar, Kutch all in the State of Gujarat; iv) a Negative Lien on the agricultural lands, pending conversion to the non-agriculture status; v) a Negative Lien on leasehold interest on the immovable properties situate at GIDC Estate Chhatral, Taluka Kalol, District Gandhinagar.

Short term Borrowings from banks carries interest in the range of 0 to 12 month MCLR plus 25 to 50 basis point.

c) The bank overdrafts are secured by a portion of the Company's fixed deposits which carry interest at 3.80% to 5.00% p.a (March 31, 2021: 5.00%). The borrowings are payable on demand.

d) At March 31, 2022, the Company has available fund based working capital limits from consortium banks and term loan aggregating to ₹ 14,900.00 Lakhs (March 31, 2021: ₹ 22,320.39 Lakhs) of undrawn committed borrowing facilities.

e) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

f) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

g) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

h) Term loans were applied for the purpose for which the loans were obtained.

12. INCOME TAX

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
The major component of income tax expense for the years ended March 31, 2022 and March 31, 2021 are :		
Consolidated Statement of Profit and Loss		
Current tax		
Current income tax	10,822.67	8,518.89
Excess provision for current tax of earlier years	(158.74)	(607.19)
Deferred tax		
Deferred tax expense	165.93	834.14
Income tax expense reported in the consolidated statement of profit and loss	**10,829.86**	**8,745.84**
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	(14.19)	(50.05)
Net movement in cash flow hedge reserve	(103.18)	(31.63)
Tax credited to OCI	**(117.37)**	**(81.68)**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

a) **Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2022 and March 31, 2021:**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Accounting Profit before tax	43,094.31	36,346.20
Enacted income tax rate in India applicable to the Company	25.168%	25.168%
Tax using the Company's domestic tax rate	10,845.98	9,147.61
Tax effects of :		
Non-deductible expenses	191.54	206.28
Excess provision for current tax of earlier years	(158.74)	(607.19)
Others	(48.92)	(0.86)
At the effective income tax rate of March 31, 2022: 25.13% (March 31, 2021: 24.06%)	**10,829.86**	**8,745.84**

b) **Movement in deferred tax liabilities (net) for the year ended 31st March, 2022**

(₹ in Lakhs)

Particulars	Opening Balance as at 1st April, 2021	Recognised in consolidated profit and loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2022
Tax effect of items constituting deferred tax liabilities:				
Accelerated depreciation for tax purposes	4,039.85	450.38	-	4,490.23
Accrued Income taxable on realisation	334.69	(320.61)	-	14.08
	4,374.54	**129.77**	**-**	**4,504.31**
Tax effect of items constituting deferred tax assets:				
Expenses allowed in year of payment	(270.14)	36.16	-	(233.98)
Revaluation of cash flow hedges	(170.41)	-	103.18	(67.23)
	(440.55)	**36.16**	**103.18**	**(301.21)**
Net deferred tax liabilities	**3,933.99**	**165.93**	**103.18**	**4,203.10**

Movement in deferred tax liabilities (net) for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Opening Balance as at 1st April, 2020	Recognised in consolidated profit and loss	Recognised in other comprehensive income	Closing Balance as at 31st March, 2021
Tax effect of items constituting deferred tax liabilities:				
Accelerated depreciation for tax purposes	3,590.91	448.94	-	4,039.85
Accrued Income taxable on realisation	96.55	238.14	-	334.69
	3,687.46	**687.08**	**-**	**4,374.54**
Tax effect of items constituting deferred tax assets:				
Expenses allowed in year of payment	(417.20)	147.06	-	(270.14)
Revaluation of cash flow hedges	(202.04)	-	31.63	(170.41)
	(619.24)	**147.06**	**31.63**	**(440.55)**
Net deferred tax liabilities	**3,068.22**	**834.14**	**31.63**	**3,933.99**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

13. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total outstanding dues of micro enterprises and small enterprises (refer note-a)	1,120.70	900.59
Total outstanding dues of creditors other than micro enterprises and small enterprises	30,327.89	23,332.42
	31,448.59	**24,233.01**
Above includes:		
Payable to related parties (refer note 30)	3,061.57	3,179.27

The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development (MSMED) as at March 31, 2022. The disclosure pursuant to the said Act is as under:

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
i) Amounts remaining unpaid as at year end towards		
Principal	1,120.70	900.59
Interest	64.30	98.76
ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	64.30	98.76
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.

Trade Payables Ageing Schedule

As at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	907.74	209.28	0.10	-	-	1,117.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	16,134.70	14,124.32	5.35	5.75	-	30,270.12
Disputed dues of micro enterprises and small enterprises	-	-	2.12*	1.46*	-	3.58*
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	27.94*	29.83*	-	57.77*

* The amount pertains to commercial disputes.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

As at March 31, 2021 (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	486.97	322.79	33.59	15.49	40.29	899.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,480.93	15,754.51	28.00	13.59	25.56	23,302.59
Disputed dues of micro enterprises and small enterprises	-	-	1.46*	-	-	1.46*
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	29.83*	-	-	29.83*

* The amount pertains to commercial disputes.

14. OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Financial liabilities at fair value through OCI		
Cash flow hedges		
Currency and interest rate swaps	-	399.06
Financial liabilities at fair value through profit or loss		
(Derivatives not designated as hedges)		
Foreign exchange forward contracts	9.94	22.60
Other financial liabilities at amortised cost		
Interest Accrued but not due	172.85	230.32
Payables in respect of capital goods	1,284.21	3,446.69
Unpaid dividend#	160.00	151.05
Unpaid CSR fund	354.36	-
Other miscellaneous liabilities	538.80	1,414.66
	2,520.16	**5,664.38**
Current	2,308.51	4,852.37
Non-Current	211.65	812.01
	2,520.16	**5,664.38**

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

Fair value disclosures for financial liabilities (refer note 33.1)

15. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Contract liability (Advance from customers)	15,723.11	4,311.36
Statutory dues payable	413.08	1,069.42
Other miscellaneous liabilities	336.46	574.91
	16,472.65	**5,955.69**

16. PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for employee benefits		
Compensated absences	211.81	220.63
Gratuity (refer note-25)	4.88	-
	216.69	**220.63**
Current	216.69	220.63
Non-Current	-	-
	216.69	**220.63**

17. CURRENT TAX LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Income tax (net of advance tax)	808.60	2,166.82
	808.60	**2,166.82**

18 REVENUE FROM CONTRACTS WITH CUSTOMERS

18.1 Disaggregated revenue information

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
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	3,10,399.60	2,27,087.39
Sale of power generated from windmills	568.84	453.28
Sale of services	1,222.64	1,396.57
Revenue from contracts with customers	**3,12,191.08**	**2,28,937.24**
Other operating revenue	1,686.64	875.91
Total revenue from operations	**3,13,877.72**	**2,29,813.15**
Sales of steel tubes and pipes		
In India	2,66,488.32	1,71,408.33
Outside India	43,911.28	55,679.06
	3,10,399.60	**2,27,087.39**
Sale of power generated from windmills		
In India	568.84	453.28
Sale of Services		
In India	1,222.64	1,396.57
Total revenue from contracts with customers	**3,12,191.08**	**2,28,937.24**
Timing of revenue recognition		
Goods and services transferred at a point in time	3,12,191.08	2,28,937.24
Total Revenue from contracts with customers	**3,12,191.08**	**2,28,937.24**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

18.2 Contract balances

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade receivables	60,075.53	40,257.31
Contract liabilities (Advance from customers)	15,723.11	4,311.36

In March 2022, ₹ 7.11 Lakhs (March 2021: ₹ 8.97 Lakhs) was recognised as provision for expected credit losses on trade receivables.

Contract liabilities (Advance from customers) include short-term advances received from customers against supply of Steel Tubes & Pipes. The outstanding balances of these accounts increased in 2021-22 due to performance obligations to be satisfied in upcoming years.

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

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Amounts included in Contract liabilities (Advance from customers) at the beginning of the year	4,262.53	16,272.25

18.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Revenue as per contracted price (net of taxes)	3,12,399.40	2,27,062.87
Adjustments :-		
Provision/(Reversal) for late deliveries, sales return etc.	(208.32)	1,874.37
Revenue from contract with customers	**3,12,191.08**	**2,28,937.24**

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 March 31, 2022 are as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Within one year	2,14,349.46	99,615.60
More than one year	1,613.55	883.32
	2,15,963.01	**1,00,498.92**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

19. OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest income on		
Bank deposits	106.09	190.07
Others	339.32	309.79
Other non-operating income		
Fair value gain on financial instruments at fair value through profit and loss	1,798.21	2,289.35
Profit on Sale/Discard of property, plant and equipment (net)	31.91	16.39
Bad debts recovered	27.28	-
Excess Provision for doubtful debts written back	3.65	120.89
Excess provision/liabilities no longer payable written back	7.22	50.53
Foreign exchange fluctuation (net)	1,433.15	1,302.87
Miscellaneous income	23.39	60.86
	3,770.22	**4,340.75**

20. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
- Opening inventory	30,411.20	50,987.82
- Add: Purchases	2,67,351.11	1,15,407.82
	2,97,762.31	**1,66,395.64**
- Less: Closing inventory	65,298.83	30,411.20
Cost of raw materials and components consumed	**2,32,463.48**	**1,35,984.44**

21. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Inventories at the end of the year		
- Work in process	30,538.41	12,704.58
- Finished goods	11,442.91	7,201.74
	41,981.32	**19,906.32**
Inventories at the beginning of the year		
- Work in process	12,704.58	27,977.34
- Finished goods	7,201.74	3,082.65
	19,906.32	**31,059.99**
(Increase)/Decrease In Inventory		
- Work in process	(17,833.83)	15,272.76
- Finished goods	(4,241.17)	(4,119.09)
	(22,075.00)	**11,153.67**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

22. EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Salaries, wages and bonus	13,980.47	12,462.34
Contribution to provident and other funds (refer note-25)	798.70	719.53
Gratuity expense (refer note-25)	207.91	231.98
Staff welfare expenses	926.97	765.35
	15,914.05	**14,179.20**

23. FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest on debts and borrowings	1,606.54	1,748.91
Interest on income tax	39.46	114.82
Interest on lease liabilities	81.80	89.08
Interest others	-	64.15
Bank charges	408.02	273.06
	2,135.82	**2,290.02**

24. OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Consumption of stores & spares	8,296.35	6,609.53
Freight & transport charges	13,103.30	8,267.29
Power & fuel	5,769.76	4,277.62
Labour & processing charges	3,479.75	3,346.34
Repairs and maintenance:		
Plant and machineries	961.11	776.78
Buildings	133.51	312.87
Others	74.01	64.45
Testing and inspection charges	207.58	105.18
Legal & consultancy charges	713.79	592.33
Traveling & conveyance expenses	374.89	326.77
Insurance	818.35	589.30
Expense relating to short-term leases (refer note-26 a)	241.61	237.61
Rates & taxes	148.37	133.36
Advertisement & other expenses	53.02	45.84
Sales commission	959.34	300.57
Bad debts written off	10.73	78.12
Provision for doubtful debts utilised	(10.73)	(78.12)
Charity and donations	1.00	150.00
CSR expenses (refer note-a)	760.06	669.62
Commission to Non Executive Directors	32.50	-
Directors' sitting fees	20.40	18.40
Miscellaneous expenses	1,945.86	1,691.04
	38,094.56	**28,514.90**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
a) Other expenses include ₹ 760.06 Lakhs (P.Y. ₹ 669.62 Lakhs), spent towards various activities relating to Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013, details of which are as under:		
Details of Corporate Social Responsibility :-		
1. Gross amount required to be spent during the year	760.06	669.62
2. Amount approved by the board to be spent during the year	760.06	669.62
3. Amount spent during the year :-		
i) Construction/acquisition of any asset		
In Cash	219.37	221.00
Yet to be paid in cash	264.78	341.19
Total	**484.15**	**562.19**
ii) On purposes other than (i) above		
In Cash	275.91	107.43
Yet to be paid in cash	-	-
Total	**275.91**	**107.43**
Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures (contributed to Shree Mahavir Education Trust where KMP's are interested).	25.50	221.00
4. Amount related to spent/unspent obligation:		
i) Contribution to Trust	219.37	221.00
ii) Others	275.91	107.43
iii) Unspent amount in relation to :		
- Ongoing project	264.78	341.19
- Other than Ongoing project	-	-
	760.06	**669.62**

Details of ongoing project

In case of S. 135(6) (Ongoing Project)							
Opening Balance		Income earned from Op. Unspent A/c during the year	Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A\c			From Company's bank A/c	From Separate CSR Unspent A\c	With Company*	In Separate CSR Unspent A\c
-	341.19	13.17	760.06	495.28	-	264.78	354.36

*deposited subsequent to year end.

25. EMPLOYEE BENEFITS EXPENSES

A. Defined contribution plans:

Amount of ₹ 798.70 Lakhs (31st March, 2021: ₹ 719.53 Lakhs) is recognised as expenses and included in note no. 22 "Employee benefits expense"

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Provident Fund	357.18	317.79
Contributory Pension Scheme	304.46	285.26
Superannuation Fund	136.50	115.95
Gujarat Labour Welfare Fund	0.56	0.53
	798.70	**719.53**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

B. Defined benefit plans:

The Company operates gratuity plan in the nature of defined benefit plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The gratuity plan is governed by the payment of Gratuity Act,1972. The Company's gratuity plan is funded with Life Insurance Corporation of India and HDFC life.

March 31, 2022: Changes in defined benefit obligation and plan assets (₹ in Lakhs)

	01st April, 2021	Cost charged to Consolidated Statement of Profit and Loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	31st March, 2022
		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	Actuarial changes arising from changes in demographic assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	3,336.35	212.42	231.21	443.63	(81.61)	-	(110.92)	0.96	51.19	(58.77)	-	3,639.60
Fair value of plan assets	3,401.37	-	235.72	235.72	-	2.37	-	-	-	2.37	-	3,634.72
Benefit liability	(65.02)	212.42	(4.51)	207.91	-	(2.37)	(110.92)	0.96	51.19	(56.40)	-	4.88
Total benefit liability / (plan asset)	**(65.02)**	**212.42**	**(4.51)**	**207.91**	**-**	**(2.37)**	**(110.92)**	**0.96**	**51.19**	**(56.40)**	**-**	**4.88**

March 31, 2021: Changes in defined benefit obligation and plan assets (₹ in Lakhs)

	1st April, 2020	Cost charged to Consolidated Statement of Profit and Loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	31st March, 2021
		Service cost	Net interest expense	Sub-total included in Consolidated Statement of Profit and Loss (note 22)		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions	Actuarial changes arising from changes in demographic assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	3,194.00	212.97	218.47	431.44	(102.18)	-	(25.31)	-	(161.60)	(186.91)	-	3,336.35
Fair value of plan assets	2,916.07	-	199.46	199.46	(4.05)	(11.96)	-	-	-	(11.96)	277.93	3,401.37
Benefit liability	277.93	212.97	19.01	231.98	-	11.96	(25.31)	-	(161.60)	(198.87)	(277.93)	(65.02)
Total benefit liability / (plan asset)	**277.93**	**212.97**	**19.01**	**231.98**	**-**	**11.96**	**(25.31)**	**-**	**(161.60)**	**(198.87)**	**(277.93)**	**(65.02)**

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows: (₹ in Lakhs)

Particulars	**As at 31st March, 2022**	As at 31st March, 2021
Insurance funds	3,634.72	3,401.37
(%) of total plan assets	100%	100%

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Discount rate	7.31%	6.93%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	7.31%	6.93%
Employee turnover rate	2.00%	2.00%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity (increase) / decrease in defined benefit obligation (Impact)

(₹ in Lakhs)

Particulars	Sensitivity level	As at 31st March, 2022	As at 31st March, 2021
Discount rate	1% increase	(261.55)	(257.59)
	1% decrease	307.48	303.95
Salary increase	1% increase	302.32	297.68
	1% decrease	(262.24)	(257.43)
Employee turnover	1% increase	(17.15)	(25.20)
	1% decrease	19.29	28.54

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

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Within the next 12 months (next annual reporting period)	792.42	671.64
Between 2 and 5 years	974.87	864.80
Beyond 5 years	6,154.63	5,697.20
Total expected payments	**7,921.92**	**7,233.64**

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

Particulars	As at 31st March, 2022 Years	As at 31st March, 2021 Years
Gratuity	17	17

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

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Gratuity	224.72	147.40

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

26. COMMITMENTS AND CONTINGENCIES

a) Leases :-

Operating lease commitments — Group as lessee

The Group has entered into lease contracts for office premises, land, guest house and other properties on lease, with lease terms between one to nine years. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases of office premises, land and other properties with lease terms of 12 months or less with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year.

(₹ in Lakhs)

Particulars	Leasehold land	Office premises	Total
As at April 01, 2020	39.49	1,079.90	1,119.39
Additions	-	-	-
Depreciation expense	3.09	138.75	141.84
As at March 31, 2021	**36.40**	**941.15**	**977.55**
Additions during the year	-	-	-
Depreciation and Amortisation Expenses	3.08	138.75	141.83
As at March 31, 2022	**33.32**	**802.40**	**835.72**

Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

(₹ in Lakhs)

Particulars	FY 2021-22	FY 2020-21
As at April 01	1,008.98	1,091.36
Additions	-	-
Finance Costs incurred during the year	81.80	89.08
Payments of lease liabilities	(172.40)	(171.46)
As at March 31	**918.38**	**1,008.98**
Current	112.91	90.60
Non-current	805.47	918.38

The effective interest rate for lease liabilities is 8.45 %, with maturity between 2021-2026.

The following are the amounts recognised in profit or loss:

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Depreciation and Amortisation Expenses	141.83	141.84
Interest expense on lease liabilities	81.80	89.08
Expense relating to short-term leases	241.61	237.61
Total amount recognised in statement of profit or loss	**465.24**	**468.53**

The Group had total cash outflows for leases of ₹ 172.40 Lakhs (March 31, 2021 ₹ 171.46 Lakhs).

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

b) Contingent Liabilities :-

(₹ in Lakhs)

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
a)	ESI Liability (excluding interest leviable, if any)	463.32	444.32
b)	Disputed statutory claims/levies for which the Company/ Department has preferred appeal in respect of (excluding interest leviable, if any): - Excise/Custom duty (note-i)	4,334.83	494.91
c)	Differential amount of custom duty in respect of machinery purchased under EPCG scheme (note-ii)	466.70	-
d)	Different amount of custom duty in respect of Advance license (note-ii)	239.86	-

Note-(i) Excise/Custom duty demand comprise various demands from the Excise/Custom Authorities for payment of ₹ 4,334.83 Lakhs (March 31, 2021 ₹ 494.91 Lakhs). The Company has filed appeals against these demands. The Company is confident that the demands are likely to be deleted and accordingly no provision for liability has been recognised in the financial statements.

Note-(ii) The Company has imported capital goods under the EPCG scheme to utilise the benefit of zero or concessional custom duty rate. Also, the Company has imported raw materials under the advance licence scheme. These benefits are subject to future exports within stipulated time.

c) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 4,174.26 Lakhs (March 31, 2021 ₹ 3,246.68 Lakhs).

27. The Group has incurred premium expenses of ₹ 139.83 Lakhs (March 31, 2021, ₹ 171.62 Lakhs) on Key Man Insurance Policy and term plan policy of Chairman and Managing Director, Joint Managing Director and Whole-Time Director, which is included in insurance expenses.

28. During the year ended March 31, 2022 ₹ 261.82 Lakhs (March 31, 2021 ₹ 527.54 Lakhs) was recognised as an expense for inventories carried at net realisable value.

29. SEGMENT INFORMATION

The Group is engaged in manufacturing of Steel Tubes and Pipes. Considering the nature of Group's business and operations, as well as based on reviews of operating results by the chief operating decision makers to make decisions about resource allocation and performance measurement, the Group has identified "Steel Tubes and Pipes" as only reportable segment in accordance with the requirements of 'Ind AS 108 - Operating Segments'.

Secondary Reportable Segment (Geographical by Customers)

(₹ in Lakhs)

Particulars	In India	Outside India	Total
Segment Revenue			
Year ended 31st March, 2022	**2,69,966.44**	**43,911.28**	**3,13,877.72**
Year ended 31st March, 2021	(1,74,134.09)	(55,679.06)	(2,29,813.15)
Segment Assets			
As at 31st March, 2022	**2,84,634.43**	**11,613.58**	**2,96,248.01**
As at 31st March, 2021	(2,57,974.68)	(3,684.11)	(2,61,658.79)

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

30. RELATED PARTY DISCLOSURES

As required by Indian Accounting Standard - 24 "Related Parties Disclosures", the disclosure of transactions with related parties are given below :

A Relationships

(a) Key Management Personnel

- Mr. Prakash M. Sanghvi – Chairman and Managing Director
- Mr. Jayanti M. Sanghvi – Joint Managing Director
- Mr. Shanti M. Sanghvi – Whole-time Director
- Mr. Divyabhash C. Anjaria – Director
- Mr. Pravinchandra M. Mehta – Director
- Dr. Vinod M. Agrawal – Director
- Mrs. Nidhi G. Gadhecha – Director
- Mr. Vimal Katta – Chief Financial Officer
- Mr. Anil Maloo – 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
- Laxmiraj Distributors Private Limited
- Ratanakar Wire Private Limited
- Aerolam Decorative LLP
- Jubilant Piping Solutions Private Limited
- Metal Udyog (India)
- Aurum Alloys & Engineering LLP. (w.e.f. July 10, 2021)

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

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

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Rent Expense		
- Ratnamani Food Products Private Limited	3.00	1.25
Rent Income		
- Ratnamani Healthcare Private Limited	5.83	-
- Ratnaflex Engineering Private Limited	2.10	-
Other Income		
- Ratnamani Healthcare Private Limited	0.18	-
Purchases of goods		
- Laxmiraj Distributors Private Limited	12.72	-
- Ratanakar Wire Private Limited	6.45	6.02
- Aerolam Decorative LLP	5.57	-
- Jubilant Piping Solutions Private Limited	2.55	-
- Metal Udyog (India)	-	0.57
- Aurum Alloys & Engineering LLP. (w.e.f. July 10, 2021)	27.83	-
Sales		
- Comfit Valves Private Limited	1.92	8.41
- Ratnamani Techno Casts Private Limited	391.80	200.26
- Ratnaflex Engineering Private Limited	47.51	58.11
- Ratanakar Wire Private Limited	8.51	-
- Jubilant Piping Solutions Private Limited	37.24	-
- Aurum Alloys & Engineering LLP. (w.e.f. July 10, 2021)	17.03	-
Donation		
- Shree Mahavir Education Trust	25.50	221.00
Remuneration to Key Management Personnel and their relatives (excluding commission and sitting fees) (refer note (a) below)	1,090.30	1,017.26
Commission		
- Mr. Prakash M. Sanghvi	1,500.00	1,350.00
- Mr. Jayanti M. Sanghvi	900.00	810.00
- Mr. Shanti M. Sanghvi	600.00	540.00
Commission (Non Executive Directors)		
- Mr. Divyabhash C. Anjaria	10.00	-
- Mr. Pravinchandra M. Mehta	10.00	-
- Dr. Vinod M. Agrawal	7.50	-
- Mrs. Nidhi G. Gadhecha	5.00	-
Sitting Fees		
- Mr. Divyabhash C. Anjaria	6.40	5.60
- Dr. Vinod M. Agrawal	5.60	5.20
- Mr. Pravinchandra M. Mehta	4.40	4.00
- Mrs. Nidhi G. Gadhecha	4.00	3.60

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

(₹ in Lakhs)

Outstanding as at year end	As at 31st March, 2022	As at 31st March, 2021
Receivable		
- Comfit Valves Private Limited	0.28	1.24
- Ratnamani Techno Casts Private Limited	85.41	45.29
- Ratnaflex Engineering Private Limited	27.51	53.36
- Jubilant Piping Solutions Private Limited	41.54	-
Payable		
- Ratanakar Wire Private Limited	0.83	0.34
- Aerolam Decorative LLP	0.12	-
- Mr. Prakash M. Sanghvi	1,506.71	1,355.45
- Mr. Jayanti M. Sanghvi	905.67	814.76
- Mr. Shanti M. Sanghvi	604.90	544.16
- Mr. Divyabhash C. Anjaria	9.00	-
- Mr. Pravinchandra M. Mehta	9.00	-
- Dr. Vinod M. Agrawal	6.75	-
- Mrs. Nidhi G. Gadhecha	4.50	-
- Mr. Manoj P. Sanghvi	2.61	3.21
- Mr. Prashant J. Sanghvi	2.58	2.78
- Mr. Nilesh P. Sanghvi	2.00	2.25
- Mr. Jigar P. Sanghvi	1.42	1.41
- Mr. Yash S. Sanghvi	1.10	0.89
- Mr. Vimal Katta	3.37	3.10
- Mr. Anil Maloo	1.01	0.92

Note (a) : The remuneration to the key managerial personnel does not include the provisions made for gratuity, as it is determined on an actuarial basis for the Company as a whole.

Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2022 and March 31, 2021, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

31. EARNINGS PER SHARE (EPS)

Particulars		Year ended 31st March, 2022	Year ended 31st March, 2021
Profit for the year	(₹ in Lakhs)	32,264.45	27,600.36
Weighted average no. of shares for EPS computation for basic and diluted EPS	(Nos. in Lakhs)	467.28	467.28
Earnings per share (basic and diluted)	(₹)	69.05	59.07
Nominal value of shares	(₹)	2.00	2.00

32. HEDGING ACTIVITIES AND DERIVATIVES

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk. Following are the Derivative instruments at year end not designated as hedging instrument:

Sr. No.	Particulars	31st March, 2022 Amount (₹ in Lakhs)	31st March, 2022 Foreign Currency (in Lakhs)	31st March, 2021 Amount (₹ in Lakhs)	31st March, 2021 Foreign Currency (in Lakhs)	Purpose
1	Forward Contracts (USD Purchase)	-	-	8,550.69	USD 115.55	Hedging of foreign currency purchase
2	Forward Contracts (USD Sale)	2,675.21	USD 35.00	-	-	Hedging of foreign currency sale
3	Forward Contracts (EURO Sale)	-	-	665.60	EURO 7.27	Hedging of foreign currency sale

Derivatives designated as hedging instruments

Cash flow hedges

Foreign currency risk:

Foreign exchange forward contracts are designated as hedging instruments in cash flow hedging against principal and interest repayment of external commercial borrowings. The foreign exchange forward contract balances vary with the level of expected foreign currency fluctuations and changes in foreign exchange forward rates.

The Group is holding the following foreign exchange Contracts designated as cash flow hedges:

Sr. No.	Particulars	Maturity Notional Amount (USD in Lakhs)			Purpose
		2022-23	2023-24	2024-25	
1	Currency and interest rate swap	52.13	52.13	13.02	Hedging of principal and interest repayment of external commercial borrowings.

The impact of the hedging instruments on the balance sheet is as follows:

Sr. No.	Particulars	31st March, 2022 Notional Amount (in Lakhs)	31st March, 2022 Carrying Amount (₹ in Lakhs)	31st March, 2021 Notional Amount (in Lakhs)	31st March, 2021 Carrying Amount (₹ in Lakhs)	Line item in the balance sheet
1	Currency and interest rate swaps	USD 117.28	195.37	USD 169.41	(399.06)	Other financial (Liabilities)/Assets

The impact of the hedging instruments on the statement of profit and loss for the Year Ended 31st March, 2022 is as follows:

Sr. No.	Particulars	Total hedging gain/ (loss) recognised in OCI (₹ in Lakhs)	Ineffectiveness recognised in profit or loss	Cost of hedging recognise in OCI	Amount reclassified from OCI to profit or loss
1	Currency and interest rate swaps	195.37	-	-	-

The impact of the hedging instruments on the statement of profit and loss for the Year Ended 31st March, 2021 is as follows:

Sr. No.	Particulars	Total hedging gain/ (loss) recognised in OCI (₹ in Lakhs)	Ineffectiveness recognised in profit or loss	Cost of hedging recognise in OCI	Amount reclassified from OCI to profit or loss
1	Currency and interest rate swaps	(399.06)	-	-	-

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

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

33.1 Category-wise Classification of Financial Instruments:

(₹ in Lakhs)

Particulars	Refer Note	As at 31st March, 2022			
		Fair Value through Consolidated OCI	Fair Value through Consolidated Profit or Loss	Amortised cost	Carrying Value
Financial assets					
Investments in quoted mutual funds	4	-	10,854.48	-	10,854.48
Trade receivables	6	-	-	60,075.53	60,075.53
Cash and cash equivalents	7(a)	-	-	4,378.00	4,378.00
Other balances with banks	4	-	-	2,115.00	2,115.00
Loans	4	-	-	24.71	24.71
Other financial assets	4	195.37	-	795.22	990.59
Total		**195.37**	**10,854.48**	**67,388.46**	**78,438.31**
Financial liabilities					
Borrowings	11	-	-	14,828.25	14,828.25
Trade payables	13	-	-	31,448.59	31,448.59
Derivatives	14	-	9.94	-	9.94
Lease liabilities	26(a)	-	-	918.38	918.38
Other financial liabilities	14	-	-	2,510.22	2,510.22
Total		**-**	**9.94**	**49,705.44**	**49,715.38**

(₹ in Lakhs)

Particulars	Refer Note	As at 31st March, 2021			
		Fair Value through Consolidated OCI	Fair Value through Consolidated Profit or Loss	Amortised cost	Carrying Value
Financial assets					
Investments in quoted mutual funds	4	-	63,651.31	-	63,651.31
Trade receivables	6	-	-	40,257.31	40,257.31
Cash and cash equivalents	7(a)	-	-	4,364.28	4,364.28
Other balances with banks	7(b)	-	-	1,140.00	1,140.00
Loans	4	-	-	29.98	29.98
Other financial assets	4	-	-	1,728.61	1,728.61
Total		**-**	**63,651.31**	**47,520.18**	**1,11,171.49**
Financial liabilities					
Borrowings	11	-	-	19,719.27	19,719.27
Trade payables	13	-	-	24,233.01	24,233.01
Derivatives	14	399.06	22.60	-	421.66
Lease liabilities	26 (a)	-	-	1,008.98	1,008.98
Other financial liabilities	14	-	-	5,242.72	5,242.72
Total		**399.06**	**22.60**	**50,203.98**	**50,625.64**

33.2 Category-wise Classification of Financial Instruments:

The financial instruments are categorised in to three levels, based on the inputs used to arrive at fair value measurement as described bellow :

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Inputs based on unobservable market data.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

Valuation Methodology

Financial instruments are initially recognised and subsequently re-measured at fair value as described below :

The fair value of investment in quoted Mutual Funds is measured at quoted price/ NAV.

The derivatives are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity.

(a) Quantitative disclosures fair value measurement hierarchy for financial assets and financial liabilities

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities:

(₹ in Lakhs)

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	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)	10,854.48	-	10,854.48	63,651.31	-	63,651.31
Financial Liabilities						
Foreign exchange forward contracts US$ (measured at FVTPL)	-	2,675.21	2,675.21	-	8,550.69	8,550.69
Foreign exchange forward contracts EURO (measured at FVTPL)	-	-	-	-	665.60	665.60
Foreign exchange US$ (measured at FVTOCI) - foreign currency and interest rate swap	-	8,890.75	8,890.75	-	12,452.16	12,452.16

There have been no transfers between Level 1 and Level 2 during the period. There are no instruments covered under Level 3.

(b) Financial Instruments measured at Amortised Cost

The management assessed that cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables, bank overdrafts, investments and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

34. FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities, other than derivatives, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's principal financial assets include Investments, loans given, trade and other receivables and cash & term deposits that derive directly from its operations.

The Group's principal financial liabilities, other than derivatives, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's principal financial assets include Investments, loans given, trade and other receivables and cash & term deposits that derive directly from its operations.

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.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

The Group's risk management is carried out by the corporate finance under policies approved by the Board of directors. The corporate finance identifies, evaluates and hedges financial risks in close co-operation with the Group's Business Heads. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The corporate finance function reports quarterly to the Company's Audit committee, that monitors risks and policies framed to mitigate risk exposures.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables and derivative financial instruments.

The potential economic impact, due to these assumptions and current situation, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Consolidated Statement of Profit and Loss may differ materially from these estimates due to actual developments in the global financial markets.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with floating interest rates and period of borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowing. In certain cases group enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit and equity for the year ended March 31, 2022 would (decrease)/increase by ₹ 33.58 Lakhs (March 31, 2021: ₹ 33.35 Lakhs). This is mainly attributable to variable interest rates on long term borrowings.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Group enters into forward exchange contracts to hedge against its foreign currency exposures relating to the recognised underlying assets/liabilities and firm commitments. The Group does not enter into any derivative instruments for trading or speculative purposes.

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

(₹ in Lakhs)

Currency	Liabilities		Assets	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
USD	8,107.33	15,926.49	10,621.36	5,152.12
EURO	2,215.79	2,910.66	1,984.20	792.70

The above table represents total exposure of the Group towards foreign exchange denominated assets and liabilities. The details of exposures hedged using forward exchange contracts are given as a part of note 32.

The Group is mainly exposed to changes in USD and EURO. The below table demonstrates the sensitivity to a 1% increase or decrease in the USD and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Group as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

(₹ in Lakhs)

Particulars		Impact on Profit before tax		Impact on Pre-tax Equity	
		Year ended 31st March, 2022	Year ended 31st March, 2021	**Year ended 31st March, 2022**	Year ended 31st March, 2021
a)	**USD Sensitivity**				
	Rupees / USD – Increase by 1%	25.49	107.81	25.49	107.81
	Rupees / USD – Decrease by 1%	(25.49)	(107.81)	(25.49)	(107.81)
b)	**EURO Sensitivity**				
	Rupees / EURO – Increase by 1%	2.27	20.85	2.27	20.85
	Rupees / EURO – Decrease by 1%	(2.27)	(20.85)	(2.27)	(20.85)

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 March 31, 2022, the carrying value of such instruments recognised at FVTPL amounts to ₹ 10,854.48 Lakhs (March 31, 2021 ₹ 63,651.31 Lakhs). The details of such investments in mutual funds is given in note 4.

The management expects that the exposure to risk of changes in market rates of these mutual funds is minimal.

(b) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

Credit risk arising from trade receivables is managed in accordance with the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

Concentrations of Credit Risk form part of Credit Risk

During the year ended March 31, 2022, sales to a customer approximated ₹ 51,451.98 Lakhs (or 16.39 % of net revenue) and during the year ended March 31, 2021, sales to such customer approximated ₹ Nil lakhs (or Nil % of net revenue). Accounts receivable from such customer approximated ₹ 5,164.63 Lakhs (or 8.60 % of total receivables) at March 31, 2022 and ₹ Nil Lakhs (or Nil % of total receivables) at March 31, 2021. A loss of this customer could significantly affect the operating results or cash flows of the Company.

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

The reconciliation of ECL is as follows :

(₹ in Lakhs)

Particulars	**As at 31st March, 2022**	As at 31st March, 2021
Balance at the beginning of the year	25.66	224.67
Add: Allowance for the year based on ECL	(3.65)	(120.89)
Less: Utilisation for the year based on ECL	(10.73)	(78.12)
Total provision based on ECL	**11.28**	**25.66**

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

(c) Liquidity Risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including, debt and overdraft / credit facilities from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual payments:

(₹ in Lakhs)

Particulars	Carrying amount	Less than 1 year	1 to 5 years	More than 5 year	Total
Year ended 31st March, 2022					
Interest bearing borrowings*	9,626.82	1,435.61	11,436.24	-	12,871.85
Trade payables	31,448.59	31,376.04	72.55	-	31,448.59
Derivatives	9.94	9.94	-	-	9.94
Finance lease obligation	918.38	112.91	724.98	80.49	918.38
Other financial liabilities	2,520.16	2,520.16	-	-	2,520.16
Year ended 31st March, 2021					
Interest bearing borrowings*	19,719.27	6,517.04	16,447.26	-	22,964.30
Trade payables	24,233.01	24,045.20	187.81	-	24,233.01
Derivatives	421.66	22.60	399.06	-	421.66
Finance lease obligation	1,008.98	90.59	655.83	262.56	1,008.98
Other financial liabilities	5,265.32	5,265.32	-	-	5,265.32

* The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.

35. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The Group estimates the amount of capital required on the basis of annual business and long term operating plans which includes capital and other strategic investments. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

As at March 31, 2022, the Group meets its capital requirement through equity and borrowings from banks. The Group monitors its capital and debt on the basis of debt to equity ratio.

The debt equity ratio of the reporting period is as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Borrowings	14,828.25	19,719.27
Total Equity	2,24,831.59	1,98,756.02
Debt Equity Ratio	0.07	0.10

The Group's capital management amongst other things, aims to ensure that it meets financials covenants attached to borrowings.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

36. STATUTORY GROUP INFORMATION

Name of the entity in the Group	Net Assets (i.e. total assets minus total liabilities)		Share in profit / (loss)		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	INR Lakhs	As % of consolidated profit / (loss)	INR Lakhs	As % consolidated other Comprehensive income	INR Lakhs	As % consolidated other Comprehensive income	INR Lakhs
Parent Company								
Ratnamani Metals & Tubes Limited								
Balance as at March 31, 2022	99.94%	2,24,693.42	99.92%	32,239.25	100.00%	353.04	99.92%	32,592.29
Balance as at March 31, 2021	99.95%	1,98,647.13	99.96%	27,589.98	100.00%	240.08	99.96%	27,830.06
Subsidiary Company								
Foreign								
Ratnamani INC USA								
Balance as at March 31, 2022	0.06%	138.17	0.08%	25.20	-	-	0.08%	25.20
Balance as at March 31, 2021	0.05%	108.89	0.04%	10.38	-	-	0.04%	10.38
Total								
Balance as at March 31, 2022	100.00%	2,24,831.59	100.00%	32,264.45	100.00%	353.04	100.00%	32,617.49
Balance as at March 31, 2021	100.00%	1,98,756.02	100.00%	27,600.36	100.00%	240.08	100.00%	27,840.44

37. The code of Social Security, 2020 ('Code') relating to employee benefits during the employment and post-employment received Presidential assent in September 2020 and its effective date Is yet to be notified. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the financial impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective.

38. The search operations were carried out by the Income Tax Department at the Offices & Plants of the Group during the period from Nov 23, 2021, to Nov 27, 2021. The Group has not received any further communication or order from the department. The Group does not foresee any material impact on the current or future business operations.

39. EVENTS AFTER THE REPORTING PERIOD

The Group evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 18, 2022, other than those disclosed and adjusted elsewhere in these financial statements, there were no further subsequent events to be reported or recognised.

40. OTHER STATUTORY INFORMATION

i) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

ii) No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.

iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Notes to Consolidated Financial Statements
For the year ended 31st March, 2022 (Contd.)

iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries."

v) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

vi) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

vii) The Group does not have any transactions with companies which are struck off.

viii) The Group has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

41. Figures of previous year's have been regrouped, wherever considered necessary to make them comparable to current year's figures.

As per our report of even date
For KANTILAL PATEL & CO
Chartered Accountants
ICAI Firm Registration No: 104744W

per JINAL A. PATEL
Partner
Membership No. 153599

Place : Ahmedabad
Date : May 18, 2022

For and on behalf of
RATNAMANI METALS & TUBES LIMITED

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

J. M. SANGHVI
Joint Managing Director
DIN : 00006178

VIMAL KATTA
Chief Financial Officer

ANIL MALOO
Company Secretary

Place : Village Indrad, Taluka Kadi
Date : May 18, 2022

NOTICE

Notice is hereby given that the 38th Annual General Meeting of **RATNAMANI METALS AND TUBES LIMITED** will be held on Tuesday, August 9, 2022 at 10:30 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   (a) the audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon by passing the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022, the Auditors' Report and the Board's Report thereon be and are hereby received, considered and adopted."

   (b) the audited Consolidated Financial Statements of the Company for the financial year ended on March 31, 2022 and the Report of the Auditors thereon by passing the following resolution as an Ordinary Resolution:

   "RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022 and the Auditors' Report thereon be and are hereby received, considered and adopted."

2. To declare Dividend on Equity Shares for the financial year ended on March 31, 2022 and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT a dividend of ₹14.00 per Equity Share on 4,67,28,000 Equity Shares of ₹2.00 each fully paid-up of the Company (Pre-Bonus), translating into dividend of ₹9.33 per Equity Share on 7,00,92,000 Equity Shares of ₹2.00 each fully paid up (post bonus) as recommended by the Board of Directors, be and is hereby declared out of the profits of the Company for the financial year ended on March 31, 2022."

3. To appoint a Director in place of Shri Shanti M. Sanghvi (DIN: 00007955), who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT Shri Shanti M. Sanghvi (DIN: 00007955), Director of the Company who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation."

SPECIAL BUSINESS:

4. To ratify the Remuneration payable to the Cost Auditors of the Company for the financial year ending on March 31, 2023 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(2) and other applicable provisions of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad, having Firm Registration No.000028, appointed as Cost Auditors of the Company by the Board of Directors of the Company to conduct the Cost Audit for the financial year ending on March 31, 2023, be paid a remuneration of ₹1,20,000 plus applicable taxes, reimbursement of travelling and out-of-pocket expenses incurred by them in connection with aforesaid audit."

5. To approve continuance of Directorship of Dr. Vinodkumar M. Agrawal (DIN: 00010558), Non-Executive Independent Director of the Company who will attain the age of 75 years or more during his tenure 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 Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, as amended from time to time and subject to such approvals, consents, permissions, terms and conditions, if any, as may be considered necessary from the appropriate authorities, consent of the Members be and is hereby accorded for continuance of the Directorship of Dr. Vinodkumar M. Agrawal (DIN: 00010558), Non-Executive Independent Director of the Company, subsequent to his attaining the age of 75 years during his present tenure as Independent Director of the Company.

6. To increase the Authorised Share Capital of the Company and approve consequent alteration to the

Memorandum of Association of the Company 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 Sections 13, 61, 64 and all other applicable provisions, if any, under the Companies Act, 2013 ("the Act"), (including any amendment thereto or re-enactment thereof), enabling provisions of the Articles of Association of the Company and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), or any other applicable laws for the time being in force and subject to all other necessary approvals, permissions, consents and sanctions, if required, of concerned statutory, regulatory and other appropriate authorities, if any, the Authorised Share Capital of the Company of ₹15,00,00,000 (Rupees Fifteen Crores) divided into 7,50,00,000 (Seven Crores Fifty Lakhs) Equity Shares of Face Value of ₹2/- (Rupees Two) each be increased to ₹18,00,00,000 (Rupees Eighteen Crores) divided into 9,00,00,000 (Nine Crores) Equity shares of Face Value of ₹2/- (Rupees Two) each by creation of additional 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Face Value of ₹ 2/- (Rupees Two) each and that the new Equity Shares shall rank pari passu with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be altered by substituting the existing Clause V thereof by the following new Clause V as under:

"V. The Authorised Share Capital of the Company is ₹18,00,00,000 (Rupees Eighteen Crores only) divided into 9,00,00,000 (Nine Crores) Equity Shares of Face Value of ₹2/- (Rupees Two) each."

RESOLVED FURTHER THAT Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may deem necessary, proper or desirable for the purpose of giving effect to the aforesaid resolution."

7. To approve issuance of Redeemable Non-Convertible Debentures/Bonds by way of private placement and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of non-convertible Securities) Regulations, 2021, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable SEBI regulations and guidelines, Foreign Exchange Management Act and RBI Guidelines, the Memorandum of Association and the Articles of Association of the Company and any statutory modifications, re-enactments or amendments from time to time to the above mentioned regulations and rules and clarifications issued thereon from time to time and subject to other applicable laws, rules, regulations, guidelines, notifications and circulars issued by various competent authorities / bodies, whether in India or abroad, the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any Committee thereof which the Board may have constituted to exercise its powers including the powers conferred by this Resolution) of the Company, to offer or invite subscriptions, raise funds through Private Placement of Unsecured / Secured Redeemable Non-Convertible Debentures / Bonds ("NCDs") in one or more series / tranches for an amount not exceeding ₹800 Crores (Rupees Eight Hundred Crores) (inclusive of the amount by issuance of Equity Shares by way of Further Public Offer / Preferential issue / Qualified Institutional Placement and/or any other modes) on private placement to such eligible investors, institutions, banks, incorporated bodies, mutual funds, venture capital funds, Qualified Institutional Buyers, financial institutions, individuals, trustees, stabilising agents or otherwise and whether or not such investors are members of the Company during the period of one year from the date of passing of resolution by the members on such terms and conditions as the Board may from time to time determine proper and beneficial to the Company, provided that the said borrowings shall be within the overall borrowing limits of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, invitation, issue or allotment through private placement of NCDs, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalising the form / placement documents / offer letter, timing of the issue(s), including the class of investors to whom the NCDs are to be allotted, number of NCDs to be allotted in each tranche, issue price, redemption, rate of interest, redemption period, allotment of NCDs, appointment of lead managers, arrangers, debenture trustees and other agencies, entering into arrangements for managing the issue, issue placement documents and to sign all deeds, documents and writings and to pay any fees, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all act and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto and also delegate all or any of the powers in aforesaid matters to the officials of the Company, in such manners as the Board may in its absolute discretion deem fit."

8. To approve issuance of Equity Shares by way of Further Public Offer / Preferential issue / Qualified Institutional Placement and/or any other mode to the extent not exceeding ₹800 Crores 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 23, 42, 62 and 71 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules made thereunder, Foreign Exchange Management Act, 1999, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Listing Agreements entered into by the Company with the stock exchanges where equity shares of the Company are listed, enabling provisions of the Memorandum and Articles of Association of the Company, and any statutory modifications, re-enactments or amendments from time to time to the above mentioned laws, regulations, rules and schemes and clarifications issued thereon from time to time and subject to other applicable laws, rules, regulations, guidelines, notifications and circulars issued by various competent authorities / bodies, whether in India or abroad and subject to such approvals, consents, permissions and sanctions of the Securities and Exchange Board of India ("SEBI"), Government of India ("GOI"), Reserve Bank of India ("RBI"), Ministry of Corporate Affairs, Regional Director, Registrar of Companies ("RoC") and all other appropriate and / or competent authorities or bodies whether in India or abroad to the extent applicable and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred as "Board" which term shall include any Committee thereof which the Board may have constituted to exercise its powers including the powers conferred by this Resolution), consent of the members be and is hereby accorded to create, issue, offer and allot in one or more tranches, to investors whether Indian or Foreign, including Foreign Institutions, Qualified Institutional Buyers ("QIB"), Non-Resident Indians, Corporate Bodies, Mutual Funds, Banks, Insurance Companies, Pensions Funds, trusts, stabilising agents or otherwise or any combination thereof, whether or not such investors are shareholders, promoters, directors or associates of the Company, through issue of Equity Shares and/or Non-convertible Debentures or otherwise ("Securities") representing either Equity Shares or a combination of any other Securities through one or more public or private offering in domestic with or without green shoe option, or a Qualified Institutional Placement ("QIP") in accordance with Chapter VI of the SEBI Regulations, as the Board may deem appropriate, in terms of SEBI Regulations or by one or more combination of the above or otherwise and at such time or times in one or more tranches, at such price or prices, at market price or at a discount or premium to market price in terms of applicable regulations, to any eligible investors, including residents and/or non-residents and/or qualified institutional buyers and/or institutions/ banks and/or incorporated bodies and/or individuals and/or trustees and/or stabilising agents or otherwise, whether or not such investors are members of the Company, as may be deemed appropriate by the Board and as permitted under applicable laws and regulations ("Investors"), for an amount not exceeding ₹800 Crores (Rupees Eight Hundred Crores) (inclusive of the amount by issuance of Non-Convertible Debentures / bonds) with such premium as may be fixed on such Securities at such a time or times, in Indian Rupees as the Board may determine, where necessary in consultation with the Lead Managers, Merchant Bankers, Underwriters, Guarantors, Financial and / or Legal Advisors, Depositories, Registrars and other agencies and on such terms and conditions as may be determined and deemed appropriate by the Board in its absolute discretion at the time of such issue and allotment considering the prevailing market conditions and other relevant factors in consultation with the merchant banker(s) to be appointed, so as to enable to list on any stock exchanges in India and the number and/or price of Securities shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.

RESOLVED FURTHER THAT in the event the Equity Shares are issued in the course of QIP under Chapter VI of SEBI Regulations, the pricing shall be determined in compliance with principles and provisions set out in the regulation 176 of Chapter VI of the SEBI Regulations and the Board may offer a discount of not more than 5% (five per cent) on the price calculated for the QIP or such other discount as may be permitted under said SEBI Regulations, the Securities shall be allotted as fully paid-up (subject to allottees having the option to pay either full or part consideration for warrants, with the balance consideration being payable at or by the time of exercise of such warrants, where the tenure of any convertible or exchangeable Securities shall not exceed 60 (sixty) months from the date of allotment) or such other period as may be permitted under said SEBI Regulations.

RESOLVED FURTHER THAT in the event the Equity Shares are issued in the course of QIP under Chapter VI of SEBI Regulations, the relevant date for the purpose of the pricing of the Equity Shares shall be the meeting in which the Board or a duly authorised Committee thereof decides to open the issue or such other date as may be prescribed under applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Securities, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, finalisation and approval of the offer documents, private placement offer letter, determining the form, proportion and manner of the issue, including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted, issue price, premium amount on issue / conversion / exercise / redemption, rate of interest, redemption period, fixing record date, listings on one or more stock exchanges in India or abroad, entering into arrangements for managing, underwriting, marketing, listing and trading, to issue placement documents and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and for other related matters and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Securities to be created, issued, allotted and offered in terms of this Resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall be issued in dematerialised form.

RESOLVED FURTHER THAT the Equity Shares so issued shall in all respects rank pari passu with the existing Equity Shares of the Company and shall be listed with the stock exchanges where the Company's existing equity shares are listed.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering and all such Equity Shares shall rank pari passu with the existing Equity Shares in all respects.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint merchant bankers, underwriters, depositories, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in the issue and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts / agreements, memorandum, documents, etc., with such agencies, to seek the listing of Securities on one or more recognised stock exchange(s), to affix common seal of the Company on any arrangements, contracts / agreements, memorandum, documents, etc. as may be required.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised in consultation with the merchant banker(s), advisors and / or other intermediaries as may be appointed in relation to the issue of Securities, is authorised to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the issue and allotment of Securities and listing thereof with the stock exchanges or otherwise as may be required in relation to the issue and to resolve and settle all questions and difficulties that may arise in the issue, offer and allotment of Securities, including finalisation of the number of Securities to be issued in each tranche thereof, form, terms and timing of the issue of Securities including for each tranche of such issue of Securities, identification of the investors to whom Securities are to be offered, utilisation of the proceeds and other related, incidental or ancillary matters as the Board may deem fit at its absolute discretion, to make such other applications to concerned statutory or regulatory authorities as may be required in relation to the issue of Securities and to agree to such conditions or modifications that may be imposed by any relevant authority or that may otherwise be deemed fit or proper by the Board and to do all acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit and to settle any questions, difficulties or doubts that may arise in relation to any of the aforesaid or otherwise in relation to the issue of Securities.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred, to any Committee of Board or any officer of the Company."

9. To mortgage and/or create charge on movable and/or immovable assets / properties 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 supersession of the earlier resolution passed at the 30th Annual General Meeting of Members of the Company held on September 11, 2014, consent of the Company be and is hereby accorded in terms of Section 180 (1) (a) and any other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee thereof) for mortgaging and/or charging in such form and manner and on such terms and at such time(s) as the Board of Directors may deem fit, the movable and / or immovable assets and properties of the Company, wherever situate, present and future, whether presently belonging to the Company or not, in favour of any person including, but not limited to, financial / investment institution(s), bank(s), insurance Company(ies), mutual fund(s), corporate body(ies), trustee(s) to secure the loans, borrowings, non-convertible debentures, bonds, working capital and other credit facilities upto a sum not exceeding ₹3,000 Crores (Rupees Three Thousand Crores).

   RESOLVED FURTHER THAT the Board or such Committee or person/(s), as may be authorised by the Board, be and is hereby authorised to finalise the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of the immovable and / or movable properties of the Company on such terms and conditions and at such time(s) / tranche(s) as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution."

Registered Office:
17, Rajmugat Society,
Naranpura Char Rasta,
Ankur Road, Naranpura,
Ahmedabad - 380 013
CIN: L70109GJ1983PLC006460
Date: May 18, 2022

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

Anil Maloo
Company Secretary

NOTES:

1. In view of the COVID-19 pandemic, the Government of India, Ministry of Corporate Affairs allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, Circular No.02/2021 dated January 13, 2021, Circular No.21/2021 dated December 14, 2021 and Circular No.02/2022 dated May 05, 2022 prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said circulars, the 38th Annual General Meeting (AGM) of the members will be held through VC/OAVM only. The Corporate Office of the Company shall be deemed to be the venue for the AGM. The facility of VC or OAVM and also casting votes by a member using remote e-voting as well as venue voting system on the date of the AGM will be provided by CDSL. The framework prescribed by MCA in said circulars would be available to the members for effective participation in the following manner:

    a. The Company is convening 38th Annual General Meeting (AGM) through VC / OAVM and no physical presence of members, directors, auditors and other eligible persons shall be required for this annual general meeting

    b. The Members can join the AGM through the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis

    c. In compliance with the above mentioned MCA Circulars and SEBI Circulars dated May 12, 2020, January 15, 2021 and May 13, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.ratnamani.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com. Request for a hard copy of the aforesaid documents may be made by the members by sending request to the following e-mail id.: investor@ratnamani.com.

    d. The Company is providing two way VC facility through webex for the ease of participation of the members. Link for joining the meeting is given separately

    e. Pursuant to the Circular No.14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs and SEBI Circulars dated May 12, 2020, January 15, 2021 and May 13, 2022, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives by sending a scanned copy of its Board Resolution to the Scrutiniser by email through its registered email address to mcguptacs@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com for attending the AGM through VC/ OAVM and participate thereat and cast their votes through e-voting

    f. Participants i.e. Members, Directors, Auditors and other eligible persons to whom this notice is being circulated are allowed to submit their queries / questions etc. before the general meeting in advance on the e-mail address of the Company at id: investor@ratnamani.com. Further, queries / questions may also be posed concurrently during the general meeting at the above given email Id

    g. Members, Directors, Auditors and other eligible persons to whom this notice being circulated can attend this annual general meeting through video conferencing at least 15 minutes before the schedule time and shall be closed after expiry of 15 minutes from the scheduled time

    h. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013

2. **Process for those members whose PAN, Bank details, signatures, mobile number, email ID and postal address are not registered or updated:**

    The Members are requested to register / update their PAN, Bank details, signatures, mobile number, email ID and Postal Address with their DPs or RTA, as the case may be, to enable the Company to send communications including Notices, Annual Reports, Circulars, etc. through electronic mode. Therefore, the Members are requested to register the same by following the below process:

Physical Holding	Kindly fill up ISR-1 for registering of PAN, registering / updation of KYC details including Postal Address with PIN, Mobile Number, Email Address, Bank Account details. Kindly fill up ISR-2 for updation of your signatures. The downloadable and fillable Forms and the instruction for filling up the forms and requisite enclosures are given on the website of the Company and of RTA. Please refer and follow the instructions given in the SEBI circular dated November 3, 2021 read with clarification dated December 14, 2021 for updation of records.
Demat Holding	For registration of PAN and registration / updation of KYC, details including Postal Address with PIN, Mobile Number, Email Address, Bank Account details, the Member may contact their respective DPs and update the same with their respective DPs and the same would be effective across all their shareholdings.

3. The Explanatory Statement setting out the material facts pursuant to Section 102 (1) of the Companies Act, 2013 ("the Act") concerning the Special Businesses in the Notice is annexed hereto and forming part of this Notice. The profile of the Directors seeking continuation under Regulation 17 (1A), as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also given in the Explanatory Statement itself.

4. In case of joint holders attending the Meeting, only such Joint holder who is higher in the order of names will be entitled to vote.

5. All the documents referred to in the accompanying Notice and Explanatory Statements are available for inspection by the members at the Registered Office of the Company on all working days during normal business hours between 10.00 A.M. to 5.00 P.M. up to the date of the Annual General Meeting. Further, such documents will be also available for inspection by members at the AGM.

6. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, August 3, 2022 to Tuesday, August 9, 2022 (both days inclusive) for determining the entitlement of the members for the purpose of payment of dividend and 38th Annual General Meeting.

7. The dividend, if declared, would be paid after the conclusion of the AGM to those Members whose names appear in the Register of Members of the Company maintained by Registrar and Share Transfer Agent (RTA) and the Register of Beneficial Owners maintained by the Depositories under Section 11 of the Depositories Act, 1996, at the end of the business hours on Tuesday, August 2, 2022.

8. The Final dividend, if declared at AGM, payment of such dividend will be made on or before September 8, 2022, subject to deduction of tax at source.

9. Members are requested to send their Bank Account particulars (viz. Account No., Name and Branch of the Bank and the MICR Code) to their Depository Participants in case the shares are held in electronic mode or in Form ISR -1 to the Registrar and Transfer Agent in case the shares are held in physical mode. The forms are available on the website of the Company as well as that of Registrar and Transfer Agent. The Company shall Direct Credit/NACH/ECS the corporate benefits accrued to a shareholder and also for printing the Bank Account details on the dividend warrant/ demand draft so that there are no fraudulent encashment of the warrants. Therefore, Members are requested to send their updation form immediately.

   Members holding shares in demat form are hereby informed that bank particulars registered with their respective DP's, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change or updation of bank particulars.

   Such changes/updation are to be intimated only to the DP's of the Members. In case, the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant/demand draft to such shareholders.

10. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions set out in this notice are being conducted through E-Voting, the said resolutions will not be decided on show of hands at the Annual General Meeting.

11. In terms of provisions of Section 124 & 125 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 September 27, 2021 (date of the last Annual General Meeting) on the website of the Company (www.ratnamani.com) also on the website of the IEPF (www.iepf.gov.in).

12. Members are requested to note that the dividends not en-cashed for a period of 7 (Seven) consecutive years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investors Education and Protection Fund ("IEPF"). The details of the Unpaid Dividend lying with the Company are as follows:

(₹In Lakhs)

Date of Declaration	Financial Year	Due for Transfer to IEPF on	Unpaid Amount (as on March 31, 2022)	Total Dividend Amount Declared (excluding DDT and before TDS, if applicable)	% of unpaid dividend amount to total dividend amount
September 23, 2015	2014-2015	October 22, 2022	15.77	2,570.04	0.61
March 12, 2016	2015-2016	April 11, 2023	22.06	2,570.04	0.86
September 12, 2017	2016-2017	October 11, 2024	20.98	2,570.04	0.82
August 9, 2018	2017-2018	August 8, 2025	15.71	2,803.68	0.56
August 9, 2019	2018-2019	August 8, 2026	21.02	4,205.52	0.50
March 5, 2020	2019-2020	April 4, 2027	37.88	5,607.36	0.67
September 27, 2021	2020-2021	November 3, 2028	26.58	6,541.92	0.41

Members are requested to note that pursuant to the provisions of Section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended, all shares on which dividend has not been paid or claimed for 7 (Seven) consecutive years or more, are required to be transferred to an IEPF Authority. The Company has sent intimation to all such Members who have not claimed their dividend for 7 (Seven) consecutive years. During the F.Y. 2021-22, the Company had transferred 8516 Equity Shares to the Investor Education and Protection Fund Authority. Further, the unclaimed dividend in respect of F.Y. 2014-15 must be claimed by members on or before October 22, 2022, failing which the Company will be transferring the unclaimed dividend and the corresponding shares to the IEPF Authority within a period of 30 days from the said date. The Members thereafter need to claim their shares from IEPF Authority by filing IEPF Form-5 and by following such procedures as prescribed therein.

13. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the members w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to members at the prescribed rates. For the prescribed rates for various categories, the members are requested to refer to the Finance Act, 2020 and amendments thereof.

The Company forwards emails to the members and also publishes an advertisement for the detailed instructions for Deduction of Tax at Source (TDS) on the dividend payment during a Financial Year and Updation of their PAN, Email Address and Bank Account details in the Financial Express, English Edition and Financial Express, Gujarati Edition and the same are also uploaded on the website of the Company at www.ratnamani.com and on the website of BSE Limited ("BSE") at www.bseindia.com and National Stock Exchange of India Limited ("NSE") at www.nseindia.com.

14. As per Regulation 40 of SEBI (LODR) Regulations, 2015, as amended, transfer, transmission or transposition of securities of listed companies can be carried out only in dematerialized form.

Further, SEBI, vide its circular dated January 25, 2022, has stated that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division/ consolidation of share certificates, etc. In view of this, Members holding shares in physical form are requested to submit duly filled Form ISR-4 along with along with the documents / details specified therein and physical share certificates, if available, for the above mentioned service requests. Further, to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding equity shares in physical form are requested to consider converting their holdings to demat mode. Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Private Limited for assistance in this regard.

15. If a member has queries on "Accounts, Operations and Finance" of the Company, the same may be sent to the Company by them at least 7 days before the Annual General Meeting so that the answers are readily available at the AGM.

16. Kindly quote your Ledger Folio Number / Client I.D. / DP ID Number in all your future correspondence.

17. Pursuant to the provisions of Section 72 of the Companies Act, 2013 members of the Company may nominate any person as their nominee to whom their shares shall vest in the unfortunate event of death of Member. Nomination can avoid the lengthy process of acquiring any right in shares through transmission by law. In case of nomination for the shares held by the joint holders, such nomination will be effective only on death of all the holders. In case the shares are held in dematerialised form, the nomination form needs to be forwarded to Depository Participants (DPs).

18. Attention of the members is drawn to the SEBI circular dated November 3, 2021 read with clarification dated December 14, 2021 which states that it is mandatory for all holders of physical securities to furnish PAN, Nomination (Form SH-13) (unless opted out in Form ISR-3), contact details including postal address with PIN, Mobile No., E-mail Address, Bank account details (ISR-1). The shareholders requested to note that if any one of above details is not available, the folios of the shareholders shall be frozen on and after April 1, 2023. If the above mentioned requirement are not fulfilled and if it is continued to remain frozen as on December 31, 2025, the same shall be referred to the administering authority under Benami Transactions (Prohibition) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

    Our RTA Link Intime India Private Limited has already sent intimations in this regard on January 5, 2022 to all the shareholders, who hold the equity shares of the Company in physical mode. Hence, those shareholders are requested to complete the formalities as soon as possible to avoid freezing of the folios. Please note that the RTA shall not process any service request or complaint received from the shareholders / claimants till PAN, KYC and nomination documents / details are received. **Please note that the RTA shall not process any service request or complaint received from the shareholders / claimants till PAN, KYC and nomination documents / details are received.**

19. **APPEAL TO MEMBERS:**

    The Company appeals to its members to hold their shares in Dematerialised (Demat) form. Managing your investment in securities is simple and easy in Demat /Electronic form and it has many advantages over managing it in physical form as there is no scope of loss, misplacement, theft or deterioration of securities in Demat form. The members may get in touch with the Link Intime India Private Limited at ahmedabad@linkintime.co.in, our Registrar and Transfer Agent or the Company Secretary of the Company at investor@ratnamani.com for any query relating to Demat.

20. Link Intime India Private Limited is our Registrar and Transfer Agent, therefore, all the Members of the Company are requested to correspond directly to the R.T.A. at the following addresses in the matters relating to transmission of shares, unclaimed dividend, change of address, duplicate of shares and dematerialisation of shares etc.

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

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

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

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

    b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

22. Securities and Exchange Board of India ("SEBI") has made it mandatory for every participant in the securities / capital market to furnish Income Tax Permanent Account Number (PAN). Accordingly, all the members

are requested to submit their Permanent Account Number along with photocopy of both the sides of the PAN Card duly attested, as under:

- Members holding shares in electronic form are requested to furnish their PAN to their Depository Participant with whom they maintain their account along with documents as required by them.
- Members holding shares in physical form are requested to submit self-attested photocopy of the PAN Card of all the holders including joint holders either to the Company's Registered Office or at the office of its Registrar and Transfer Agent at the address mentioned above, in Form ISR-1.
- The members are requested to link their PAN with Aadhaar Card by the date specified by CBDT. The Company / RTA shall accept only valid PAN and shall verify that the PAN in the existing folios are valid i.e. whether it is linked to the Aadhaar number of the holder. In case the same is not linked as on notified cut-off date, the same shall be frozen as specified in the above Para 18.

23. Ratnamani Engineering Limited ("REL") was amalgamated with Ratnamani Metals & Tubes Limited ("RMTL") as per the scheme approved by the Honorable High Court of Gujarat in the year 1998. Accordingly, RMTL has allotted shares to the members of REL. It is noticed that some members have yet not exchanged their old share certificates of REL. Such members are requested to get the same exchanged for new RMTL share certificates.

24. The Members who are holding shares having a face value of ₹10/- each are requested to send the original share certificates of ₹10/- each to the Company or the Registrar and Transfer Agent of the Company for exchange of share certificates of ₹2/- each.

25. **Voting:-**

All persons whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date i.e. Tuesday, August 2, 2022 only shall be entitled to vote at the General Meeting by availing the facility or remote e-voting at the General Meeting.

Voting through Electronic Means:

a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars dated April 8, 2020, April 13, 2020, May 5, 2020, December 31, 2020, January 13, 2021, December 14, 2021 and May 6, 2022, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the A.G.M. For this purpose, the Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorised e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the A.G.M. will be provided by CDSL.

b) A member may exercise his vote at any general meeting by electronic means and Company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (LODR) Regulation, 2015 read with the MCA circulars.

c) During the remote e-voting period, members of the Company, holding shares either in physical form or dematerialised form, as on the cut-off date i.e. Tuesday, August 2, 2022, may cast their vote electronically. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date.

d) The voting period begins on Thursday, August 4, 2022 (9.00 A.M.) and ends on Monday, August 8, 2022 (5.00 P.M.). During this period members' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) i.e. Tuesday, August 2, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 P.M. on Monday, August 8, 2022.

e) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting.

f) The facility for voting, through electronic voting system, shall also be made available during the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

g) Process regarding remote e-voting and e-voting during the meeting, and attending the meeting through VC/OAVM:

A. Access through Depositories CDSL / NSDL e-Voting system in case of individual shareholders holding shares in demat mode:

a) In terms of the SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, the Individual Members holding securities in demat mode are required to vote through their demat account maintained with Depositories and DPs. Members are advised to update their mobile number and email address with their DPs in order to access e-voting facility.

Pursuant to the aforesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Member having Demat account With	Login Method
CDSL	**CDSL Easi / Easiest facility** If Members are already registered for Easi / Easiest facility: 1. Visit web page of Easi by https://web.cdslindia.com/myeasi/home/login. 2. Member will have to enter their existing "USER NAME" and "PASSWORD". After successful authentication, the Member will be able to see "E-VOTING" menu. 3. On clicking the "E-VOTING" menu, the Member will be able to see the e-voting page. 4. Click on options available against the Company name or E-voting Service Provider (ESP) – CDSL and the Member will be redirected to e-voting website of CDSL for casting vote before and during the meeting and joining the meeting. **If Members are not registered for Easi / Easiest facility:** 1. Visit the web page at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 2. Enter 16 digit "DEMAT ACCOUNT NUMBER" and "PASSWORD" as: "PAN" and first 4 digits of the "DOB" (DDMM) of first holder. 3. Tick check box of "TERMS AND CONDITIONS" and click on "CONTINUE". 4. "OTP" will be sent on the registered mobile number of Member. 5. Enter the "OTP" and click on "CONTINUE". 6. Registration form will appear, fill the form to create "USER NAME" and "PASSWORD" and answer to secrete question and click on "CONTINUE". 7. Upon successful registration, please follow steps given in points 1 to 4 above (Members are already registered for Easi / Easiest facility). **E-voting website of CDSL** 1. Visit e-voting website of CDSL at www.cdslindia.com. 2. Select "E-VOTING" and enter "DEMAT ACCOUNT NUMBER" and "PAN". 3. System will authenticate Member, by sending "OTP" on registered mobile & email as recorded in the Member's Demat Account. 4. After successful authentication, the Members will be able to see the e-voting page. 5. Click on options available against the Company name or ESP – CDSL and the Member will be redirected to e-voting website of CDSL for casting vote before and during the meeting and joining the meeting.

<table>
<tr><th>Member having Demat account With</th><th>Login Method</th></tr>
<tr><td>NSDL</td><td>NSDL IDeAS Facility
If Members are already registered for IDeAS facility:
1. Visit e-Services website of NSDL at https://eservices.nsdl.com.
2. On homepage of e-Services, click on “BENEFICIAL OWNER” under “LOGIN”, available under “IDeAS” section.
3. A new screen will open. Enter “USER ID” and “PASSWORD”. After successful authentication, the Member will be able to see e-voting services.
4. Click on “ACCESS TO E-VOTING” under e-voting services and the Member will be able to see e-voting page.
5. Click on options available against the Company name or ESP – CDSL and the Member will be re-directed to CDSL e-voting website for casting vote before and during the meeting and joining the meeting.
If Members are not registered for IDeAS e-Services:
1. Visit the web page at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.
2. Enter 8-character “DP ID” followed by 8-digit “CLIENT ID” and registered mobile number.
3. Select any of the following options for verification of demat account:
i. Option 1: Bank account – enter last 4 digit of bank account.
ii. Option 2: OTP – enter 6 digit OTP sent on registered mobile number.
4. Fill your personal information and click on “SUBMIT”.
5. Upon successful registration, please follow steps given in points 1 to 5 above (Members are already registered for IDeAS facility).
E-voting website of NSDL
1. Visit e-voting website of NSDL at https://www.evoting.nsdl.com/.
2. On homepage of e-voting system, click on “LOGIN” icon, available under “SHAREHOLDER / MEMBER” section.
3. A new screen will open and the Member will have to enter “USER ID” (i.e. 8-character “DP ID” followed by 8-digit “CLIENT ID”) and “PASSWORD” / “OTP” and a verification code as shown on the screen.
4. After successful authentication, the Member will be able to see e-voting page.
5. Click on options available against the Company name or ESP – CDSL and the Member will be redirected to e-voting website of CDSL for casting vote before and during the meeting and joining the meeting.</td></tr>
<tr><td>Logging through their DPs</td><td>1. Member can login using the “LOGIN CREDENTIALS” of Demat account through their DPs registered with NSDL / CDSL for e-voting facility.
2. After successful login, the Members will be able to see “E-VOTING OPTION”. Once the Member clicks on “E-VOTING OPTION”, he / she will be redirected to NSDL / CDSL Depository site.
3. After successful authentication, the Member will be able to see e-voting page.
4. Click on option available against the Company name or ESP- CDSL and the Member will be redirected to e-voting website of CDSL for casting vote before and during the meeting and joining the meeting.</td></tr>
</table>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and/or Forget Password option available at above mentioned websites.

b) Casting vote electronically on CDSL e-voting system

1. After successfully logging by following the above process, the Members will be able to see EVSN of all companies in which they hold shares and whose voting cycle is active.
2. Click on "EVSN" for "RATNAMANI METALS & TUBES LIMITED".
3. On the voting page, the Member will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select option "YES / NO" as desired. Option YES implies assent to the resolution and option NO implies dissent to the resolution.
4. Click on "RESOLUTIONS FILE LINK" if the Member wishes to view the entire resolution details.
5. After selecting the resolution, click on "SUBMIT". A confirmation box will be displayed. If the Member wishes to confirm, click on "OK", else to change, click on "CANCEL" and accordingly modify your vote.
6. Once the Member "CONFIRM" his / her vote on the resolution, he / she will not be allowed to modify.
7. Member can also take a print of the votes cast by clicking on "CLICK HERE TO PRINT" option on voting page.

Helpdesk for the Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542-43.
NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no: 18001020990 and 1800224430

B. Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form:

a. Visit the e-voting website at www.evotingindia.com

b. Click on "SHAREHOLDERS"

c. Enter your User ID

  i. For CDSL: 16 digits beneficiary ID,

  ii. For NSDL: 8 character DP ID followed by 8 digits Client ID,

  iii. Members holding shares in physical form should enter Folio Number registered with the Company

d. Enter Image verification as displayed and click on "LOGIN"

e. If Non-individual Members are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then their existing password is to be used

f. If the Member is a first-time user follow the steps given below:

For the Non-individual Members holding shares in Demat Form and the other Members holding shares in Physical Form	
PAN	Enter 10 digit alpha-numeric "PAN" (applicable for both demat as well as physical Members)
	• Members who have not updated their PAN with the Company / DPs are requested to use sequence number indicated in PAN field of email sent to them.
	• Members who have not registered their email address may obtain sequence number from the Company after registering their email address as per process defined in Note No. 2.
Dividend Bank details OR Date of Birth (DoB)	Enter the "DIVIDEND BANK DETAILS" or "DOB" (in dd/mm/yyyy format) as recorded in the Member's demat account or in the Company records in order to login.
	• If both the details are not recorded with the DPs or Company please enter "MEMBER ID / FOLIO NUMBER" in Dividend Bank details field as mentioned in instruction (c).

g. After entering these details appropriately, click on "SUBMIT" tab

h. Members holding shares in physical form will then directly reach the Company selection screen. However, the Non-Individual Members holding shares in demat form will now reach "PASSWORD CREATION" menu wherein they are required to mandatorily enter their login password in new password field

Kindly note that this password is also to be used by Non-individual demat holders for voting for resolutions of any other Company on which they are eligible to vote. It is strongly recommended not to share password with any other person and take utmost care to keep password confidential

i. For the Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice

j. Click on "EVSN" for "RATNAMANI METALS & TUBES LIMITED" on which the Member chooses to vote

k. On the voting page, the Member will see "RESOLUTION DESCRIPTION" and against the same; option "YES / NO" for voting. Select option "YES / NO" as desired. The option YES implies, assent to the resolution and the option NO implies dissent to the resolution

l. Click on the "RESOLUTIONS FILE LINK" if the Member wishes to view the entire resolution details

m. After selecting the resolution, click on "SUBMIT". A confirmation box will be displayed. If the Member wishes to confirm, click on "OK", else to change vote, click on "CANCEL" and accordingly, modify vote

n. Once the Member "CONFIRM" his / her vote on the resolution, he / she will not be allowed to modify

o. Member can also take a print of votes cast by clicking on "CLICK HERE TO PRINT" option on voting page

   p. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system

   q. There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutiniser for verification

C. Additional facility for Non – Individual Shareholders and Custodians – Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser and to the Company at the email address viz; investor@ratnamani.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutiniser to verify the same

In case of any queries or issues regarding e-voting, Member may refer the Frequently Asked Questions ('FAQs') and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or call on 022-23058738 and 022-23058542/43.

General Guideline for attending the meeting through VC / OAVM and e-voting on the day of AGM:

a) Procedure for attending AGM and e-voting on the day of AGM will remain same as the instructions mentioned above

b) The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting

c) The Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM

d) Members are encouraged to join the meeting through Laptops / Desktops for better experience. Further, the Members will be required to allow camera and use Internet with good speed to avoid any disturbance during the meeting

e) Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches

f) Only those Members, who will be present in AGM through VC / OAVM facility and have not casted their vote on the resolutions through remote e-voting prior to meeting day and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during AGM

g) If any votes are casted by the Members through e-voting available during AGM and if the same Members have not participated in the meeting through VC / OAVM facility, then the votes casted by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members participating in the meeting

h) Members who have voted through remote e-voting prior to the meeting day will be eligible to attend AGM. However, they will not be eligible to vote during AGM

i) Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at investor@ratnamani.com. The members who do not wish to speak during the AGM but have queries may send the same in advance at least 7 days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at investor@ratnamani.com. These queries will be replied to by the Company suitably by email.

j) Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting

26. Shri Mahesh Gupta, of M/s. M. C. Gupta & Co., Company Secretaries, Ahmedabad holding Certificate of Practice No.1028 has been appointed as the Scrutiniser to scrutinise the voting and remote e-voting process in a fair and transparent manner. The Scrutiniser shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than 48 hours from the conclusion of meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.

27. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.ratnamani.com and on the website of CDSL i.e. www.cdslindia.com within three days of the passing of the Resolutions at the 38th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

28. Since the 38th AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

Annexure to the Notice

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all the material facts relating to the Special Businesses under Item Nos. 4 to 9 of the accompanying Notice dated May 18, 2022:

ITEM NO.4

Pursuant to provisions of Section 148 (3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board is required to 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 May 17, 2022, the Board of Director at its meeting held on May 18, 2022 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 2022-23 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.4 of the accompanying the Notice.

The Board recommends the **Ordinary Resolution** set out at Item No.4 of the Notice for approval by the Shareholders.

ITEM NO.5

Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires that any Non-Executive Director who has attained the age of 75 years cannot be appointed or continued as a Non-Executive Director in any listed Company until and unless approval of the Members has been obtained by way of special resolution, indicating the justification for appointing / continuing in the explanatory statement.

Dr. Vinodkumar M. Agrawal (DIN: 00010558), was appointed as an Independent Director on the Board of the Company and holds office as an Independent Director of the Company till the conclusion of 39th Annual General Meeting of the Company to be held in the Calendar year 2023, pursuant to the Special resolution passed at the Annual General Meeting held on August 9, 2018 ("Second term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

Dr. Vinodkumar M. Agrawal is presently aged 74 years and will attain the age of 75 years during his present tenure of second term. Therefore, the Company is required to obtain approval of the Shareholders by way of Special Resolution for his continuation as a Non-Executive Independent Director.

Considering the rich experience, expertise, qualification and active contribution of Dr. Vinodkumar M. Agrawal as a Non-executive Independent Director, towards the Company, the Nomination and Remuneration Committee and the Board of the Company recommended the continuation of association of Dr. Vinodkumar M. Agrawal's present tenure of appointment as Non-Executive Independent Director, on existing terms and conditions notwithstanding his attainment the age of 75 years. The Board considers that his continued association would be immensely beneficial to the Company and it is desirable to continue to avail services of Dr. Vinodkumar M. Agrawal as a Non-Executive Independent Director.

Dr. Vinodkumar M. Agrawal and his relatives may be deemed to be interested in the resolution set out at Item No.5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Except, Dr. Vinodkumar M. Agrawal, Independent Director, 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 the Notice.

The Board recommends the **Special Resolution** set out at Item No.5 of the Notice for approval by the Shareholders.

ITEM NO.6

The present Authorised Share Capital of the Company is ₹15,00,00,000 (Rupees Fifteen Crores) divided into 7,50,00,000 (Seven Crores Fifty Lakhs) Equity Shares of Face Value of ₹2/- (Rupees Two) each. In order to facilitate the raising of the funds in future, it is proposed to increase the Authorised Share Capital to ₹18,00,00,000 (Rupees Eighteen Crores) divided into 9,00,00,000 (Nine Crores) Equity Shares of Face Value of ₹2/- (Rupees Two) each by creation of additional 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Face Value of ₹2/- (Rupees Two) each. The increase in the Authorised Share Capital as aforesaid would entail consequential alteration of the existing Clause V of the Memorandum of Association of the Company.

The proposed increase in the Authorised Share Capital and consequential to the alteration of Clause V of the Memorandum of Association of the Company requires Members' approvals in terms of the provisions of Sections 13, 61 and 64 of the Companies Act, 2013 and any other applicable statutory and regulatory requirements.

The Board at its meeting held on May 18, 2022 considered and recommended the increase in the Authorised Share Capital of the Company and consequential to the alteration of Clause V of the Memorandum of Association of the Company, subject to the approval of the members at the ensuing 38th Annual General Meeting.

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.6 of the accompanying the Notice.

The Board recommends the **Ordinary Resolution** set out at Item No.6 of the Notice for approval by the Shareholders.

ITEM NO.7

In order to augment long term resources for financing *inter alia* the on-going capital expenditure, working capital requirement and for general corporate purpose, the Company may borrow, including by issue of Unsecured/Secured Redeemable Non-Convertible Debentures / Bonds ("NCDs") on private placement basis, as may be appropriate and as specified in the approvals, from Indian markets.

The Board has at its meeting held on May 18, 2022, recommended to the Shareholders to give their consent to the Board of Directors or any Committee of the Board to borrow and raise funds by issue of NCDs on private placement basis, up to an amount of ₹800 Crores (Rupees Eight Hundred Crores) under Section 42 and 71 read with section 179 of the Companies Act, 2013. Such issue shall be subject to overall borrowing limits of as approved by Shareholders from time to time and will be issued in terms of the provisions of the Companies Act, 2013, Articles of Association of the Company and Securities and Exchange Board of India (Issue and Listing of non-convertible Securities) Regulations, 2021, as amended (the "SEBI Regulations") and other applicable laws. The overall amount to be raised through Unsecured/Secured Redeemable NCDs / Bonds / Equity Shares or/and any combination thereof shall not exceed ₹800/- Crores during the next one year.

Pursuant to Section 42 and 71 of the Companies Act, 2013 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, a Company offering or making an invitation to subscribe to NCDs/Bond on a private placement basis is required to obtain prior approval of the Shareholders by way of the special resolution. For NCDs/ Bonds, it shall be sufficient if the Company passes a previous special resolution only once in a year for all the offers or invitations for such NCDs/Bonds to be made during the year. Accordingly, it is proposed to raise funds through Private Placement of NCDs/Bonds in one or more series / tranches during a year starting from the date of approval of special resolution by the Shareholders of the Company. Such NCDs/ Bonds shall be issued to such person or persons, who may or may not be the members of the Company, as the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Shareholders / Board, may think fit and proper.

The resolutions contained in Item No.7 of the accompanying Notice, accordingly, seek Shareholders approval as enabling resolution for raising funds through Private Placement of NCDs/Bonds in one or more tranches during a year starting from the date of approval of special resolution by the members of the Company and authorising the Board of Directors (or any duly constituted Committee of the Board or such other authority as may be approved by the Board) of the Company to complete all the formalities in connection with the issue of NCDs/Bonds.

The borrowing limits (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) approved by the Members under Section 180 (1) (c) of the Companies Act, 2013 vide the resolution dated September 11, 2014 is ₹1,000 Crores over and above the paid up share capital and Free Reserves for the time being of the Company. Pursuant to Section 180 (1) (a) of the Companies Act, 2013 the Company has authorised the Board inter alia to provide securities for amounts borrowed by creating charge on the assets of the Company in favour of lenders. The approval is sought for funds to be raised by way of including but not limited to private placement of NCDs / Bonds in one or more series / tranches shall be within the overall borrowing limits of the Company.

None of the Directors 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.7 of the accompanying the Notice.

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

ITEM NO.8

The Company has been pursuing both organic and inorganic opportunities, for its growth. Further, there is on-going requirement of working capital and capex for upgradation / expansion of Company's existing manufacturing facilities and on-going projects. The generation of internal funds may not be adequate to meet all the requirements of the Company's growth plans. It would be therefore, prudent for the Company to have the requisite enabling approvals in place for meeting the fund requirements of its organic and inorganic growth, capital expenditure, long term working capital, refinancing the existing borrowings and also such other corporate purposes as may be permitted under the applicable laws and as may be specified in the appropriate approvals.

In order to meet the additional fund requirements of the Company for the aforesaid purposes and subject to applicable provisions of the Companies Act, 2013 ("the Act") and rules made thereunder, as amended in case the Company may propose to issue equity shares to any persons, whether or not such persons are shareholders, approval of shareholders through a special resolution is required.

After approval of the shareholder, the Company may take quick and effective action to capitalise on the opportunities, primarily those relating to inorganic growth, as and when available.

The requirement of funds is proposed to be met from both equity and debt from issuance of appropriate securities. Prudence would require the funding to be structured with an appropriate mix of equity and debt to meet with the objective of optimisation of the cost as well as conservative financial management.

The Board of Directors at its meeting held on May 18, 2022 has decided to seek consent of the Members through special resolution to the Board of Directors or any Committee of the Board to raise funds through issuance of Equity Shares as may be appropriate to persons who may or may not be the existing shareholders through Further Public Offer and/or private placement and/or Qualified Institutional Placement and/or any other permitted mode at a price to be determined as per the SEBI Regulations or as per other applicable rules and regulations, up to an amount not exceeding ₹ 800 Crores in Indian Rupees and / or an equivalent amount in any foreign currency under Section 62 read with Section 179 of the Act, as amended or other applicable laws. The overall amount to be raised through Unsecured/Secured Redeemable NCDs / Bonds / Equity Shares or/and any combination thereof shall not exceed ₹800 Crores during the next one year.

While no specific instrument or instruments of Securities has been identified at this stage, the Board may opt for an appropriate instrument in the best interest of the Company. Such issue shall be subject to the provisions of the Act, as amended and rules made there under from time to time, Articles of Association of the Company, SEBI Regulations and other applicable laws.

Pursuant to Sections 42 and 62 of the Act, as amended read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, a Company offering or making an invitation to subscribe aforesaid Securities is required to obtain prior approval of the Members by way of the special resolution. If approved by Members, QIP issue shall be completed within 365 days from the date of passing of special resolution and in case of issue by way other than QIP, provisions as applicable to the proposed issue shall be applicable. Equity Shares, proposed to be issued, shall in all respects rank pari passu with the existing equity shares of the Company.

In view of the above, approval from the Members of the Company is sought to offer, create, issue and allot above Securities, in one or more tranches, to investors inter alia through QIP by way of private placement or otherwise and to authorise the Board of Directors (including any Committee thereof authorised for the purpose) to do all such acts, deeds and things on the matter.

The Board may offer a discount of not more than 5% on the price calculated for the QIP or such other discount as may be permitted under said SEBI Regulations.

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.8 of the accompanying the Notice.

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

ITEM NO.9

In terms of the resolution passed by the Shareholders at the Annual General Meeting held on September 11, 2014, pursuant to Section 180 (1) (a) of the Companies Act, 2013, consent of the Members was secured for authorising the Board of Directors to create mortgage and / or charge on the immovable and movable properties of the Company upto ₹1,700 Crores.

The Company may be required to borrow monies by way of Non-Convertible Debentures, Bonds, Loans, Hire Purchase Finance either in rupee or in foreign currency from Financial Institutions / Banks / Insurance Companies and other Corporate Bodies apart from working capital facilities from banks in ordinary course of business to meet its business requirements. This in turn would necessitate further creation of securities by suitable mortgages and / or charges on all or some of the immovable and movable properties of the Company, both present and future, in favour of the lenders / trustees over and above the existing limit of ₹1,700 Crores.

To create mortgage and / or charge upto the said limit, approval of the Members is required to be obtained pursuant to Section 180 (1) (a) of the Companies Act, 2013 authorising the Board of Directors of the Company in this regard. Hence the Special Resolution is placed before the Members for their approval.

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.9 of the accompanying the Notice.

The Board recommends the **Special Resolution** set out at Item No.9 of the Notice for approval by the Shareholders.

The brief profile of the directors including the information required to be furnished under Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standards-2 on General Meetings are given below:

Name of the Director	Shri Shanti M. Sanghvi	Shri Vinodkumar M. Agrawal
DIN	0007955	00010558
Date of First Appointment	October 31, 1998	March 31, 2001
Brief Resume of the Director including nature of expertise in specific function areas	Shri Sanghvi is a promoter entrepreneur and Whole Time Director having rich experience in Corporate Relations, Business Development and Customer Management.	Shri Agrawal has rich experience in soft business skills.
Relationships between Directors Inter-se	Shri Shanti M. Sanghvi is a brother of Shri Prakash M. Sanghvi and Shri Jayanti M. Sanghvi, Directors of the Company. No other Directors are related to him.	Does not have any relationship with any other Directors
Directorships and Committee membership in other Companies (*)	Nil	Nil
Name of listed entities from which resigned in past three years	Nil	Nil
No. of Shares held, including beneficial ownership, if any, in the Company as on March 31, 2022	18,16,995 Equity Shares	27,500 Equity Shares
The skills and capabilities required for the role and the manner in which he meets the requirements	All the three Executive Directors of the Company complement each other in their roles and responsibilities. Shri Shanti M. Sanghvi has rich experience in Corporate Relations, Business Development and Customer Management.	Shri Agrawal has rich experience in soft business skills and he complements the team of the Independent Directors on the Board by his skills and capabilities.

(*) Excluding alternate directorship, if any, and private limited, foreign companies, high value debt listed entities and companies under Section 8 of the Companies Act, 2013. The Committees include Audit and Stakeholders' Relationship Committees only.

Registered Office:
17, Rajmugat Society,
Naranpura Char Rasta,
Ankur Road, Naranpura,
Ahmedabad - 380 013
CIN: L70109GJ1983PLC006460
Date: May 18, 2022

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

Anil Maloo
Company Secretary

NOTES:

NOTES:

RATNAMANI®
METALS & TUBES LTD.

REGISTERED OFFICE

17, Rajmugat Society, Naranpura Char Rasta,
Ankur Road, Naranpura, Ahmedabad-380013
CIN : L70109GJ1983PLC006460
Phone: +91-79-27415501
Email Id: info@ratnamani.com
Website : www.ratnamani.com