

RATNAVEER

30th August, 2024

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| To National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai -400051 NSE Scrip Symbol: RATNAVEER Kind Attd.: Listing Department. | To BSE Limited Phiroze Jeejeebhoy Towers, 21 st Floor, Dalal Street, Mumbai - 400001 BSE Scrip Code: 543978 Kind Attn.: Corporate Relationship Department. |
|--|--|

Dear Sir/Madam,

Sub: **ANNUAL REPORT FOR THE FINANCIAL YEAR 2023-24**

Pursuant to Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith, copy of Annual Report for the financial year 2023-24 of 22nd Annual General Meeting of the Members of the Company scheduled to be held on Monday, 23rd September, 2024 at 04:00 p.m. through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"). The Annual Report is also uploaded on the website of the Company www.ratnaveer.com

| Sr. No. | Particulars | Details |
|---------|---|---|
| 1. | AGM Details | Day-Monday Date-23.09.2024 Time-04:00 p.m. (IST) Through Video Conference / Other Audio Visual Means |
| 2 | Cut-off date for e-voting | Friday, 13 th September, 2024 |
| 3 | Remote e-voting start time, day and Date | 9:00 a.m. (IST), Friday, 20 th September, 2024 |
| 4 | Remote e-voting end time, day and Date | 5:00 p.m. (IST), Sunday, 22 nd September, 2024 |
| 5 | E-voting website of Link Intime India Private Limited | https://instavote.linkintime.co.in |

Kindly take the same on you records.

Thanking You
Yours faithfully,

**For Ratnaveer Precision Engineering Limited
(Erstwhile Ratnaveer Metals Limited)**

Swati Sharda
Company Secretary



RATNAVEER PRECISION ENGINEERING LIMITED

(Formerly Known as RATNAVEER METALS LIMITED)

Plant : E-77, G.I.D.C. Savli (Manjusar), Dist. Vadodara - 391776. (Gujarat) India.

Office : 703 & 704, "Ocean", Vikram Sarabhai Campus, Vadi Wadi, Vadodara-390023.

P : ☎ +91 2667 264594 / 264595

O : ☎ +91 - 84878 78075

~~02667 264594 / 264595~~

Web : www.ratnaveer.com

CIN : L27108GJ2002PLC040488 EMAIL : cs@ratnaveer.com



Precision. Innovation. Diversification.

Leveraging our expertise to engineer the best solutions

Annual Report 2023-24



Precision. Innovation. Diversification.

Leveraging Our Expertise To Engineer The Best Solutions

A strong focus on manufacturing excellence and precision engineering continues to steer our way forward. Our emphasis on meeting the evolving demands of diverse industries has enabled us to consistently improve our product range, diversify into new verticals and fulfil the need for supplying world-class products.

Over the years, we have earned a reputation as a leading stainless steel washer manufacturer and supplier. Resting on our backward integration capabilities, we have developed the ability to manufacture different types of products in accordance with international quality parameters. Our precision engineering capability has further improved our acceptance among industries as diverse as railways and marine to defence and aerospace. Moreover, our constant investment in R&D has enabled us to offer advanced and innovative solutions that not only fulfil customer expectations but empower us to explore new growth trajectories.

Looking ahead, we seek to create a differentiated position for Ratnaveer Precision Engineering Limited and carve a niche as a preferred business partner for our clients. Carrying forward our legacy of engineering excellence, we are now primed to strengthen the foundation of a sustainable business.

Contents



Our expansion into new geographical markets, coupled with our investment in technological advancements, has amplified our potential to meet the burgeoning demand for industrial fasteners across diverse sectors, including automotive, construction, and aerospace. Through our commitment to innovation, we continue to unlock new avenues of growth and performance improvement.

Mr. Vijay R Sanghvi
Managing Director



To view the report online, log in to
Website : www.ratnaveer.com

01-28

Corporate Overview

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FY 2023-24 Financial Performance

570.04

EBITDA (₹ million)

18.28

CAGR of Revenue (in %)

310.50

Net Profit (₹ million)

24763

EBITDA Per Metric Ton (₹)



Introducing Ratnaveer

Since our inception in 2002, we, at Ratnaveer Precision Engineering Limited (Ratnaveer), have emerged as one of India's largest stainless steel washer manufacturers and suppliers. Over the years, we have established a track record of delivering quality offerings.

Our production capacity stands at 30,000 MTPA. We are among the few companies to operate an in-house backward integrated and forward integrated manufacturing facility. This makes our production process independent and enables us to manufacture products of any size at any time; thereby enhancing our efficiency.

We produce over 2,500 SKUs of washers that conform to international quality standards. Our diverse product portfolio comprising stainless-steel finishing sheets, washers, solar mounting hooks and tubes and pipes find wide

application across various industries, including automotive, solar power, wind energy, power plants, oil and gas and pharmaceuticals, among others.

Established in 2002, in Gujarat, India, we are a B2B manufacturer. Our geographic footprint extends to the Northern and Western regions of India. Globally we have established a presence across various regions in Europe including Germany, Spain, Netherland and the United Kingdom. Our strengths include offering integrated facilities to meet diverse customer needs.

Our dedication to quality and excellence have earned us several accolades. We have been consistently recognised as the Star Performer by Engineering Export Promotion Council since FY 19 till FY 24. Ratnaveer is Government Recognized ★★ Star Export House. We have also achieved the ISO 9001 certification that guarantees top-tier quality and ISO 14001 certification that highlights our commitment to sustainability. Additionally, the OHSAS 18001 certification showcases our commitment to ensuring a safe working environment for our personnel.



Vision

Ratnaveer Precision Engineering Limited aspires to be the most respected, truly Indian Multinational Organization and the most preferred business partner in the entire globe.

18.28%
CAGR of Revenue

31.05 cr
Net Profit

2.27
Inventory Turnover Ratio

595.38 cr
Revenue from Operations

5.21%
Net Profit Margin



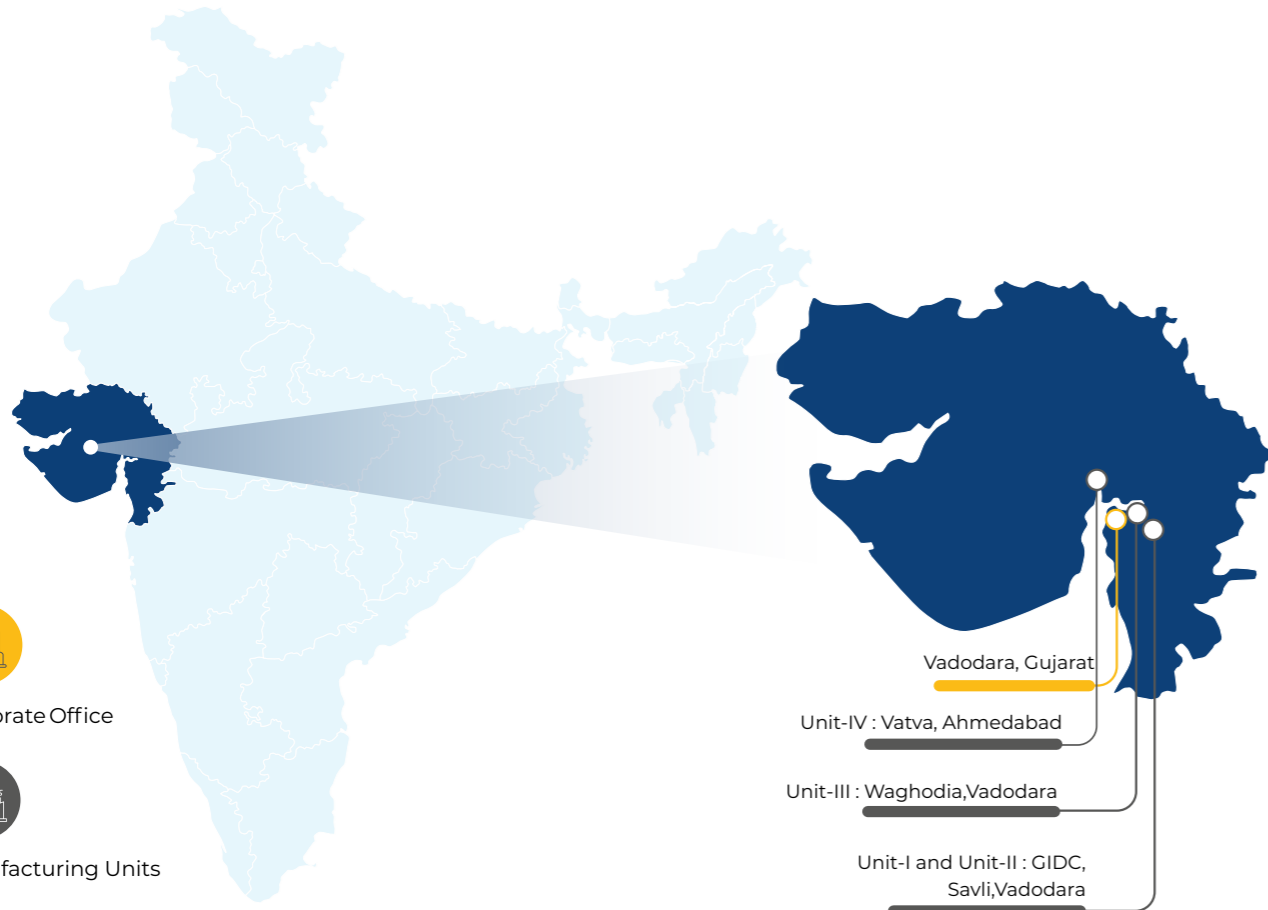


Our Core Values





Our Presence



Corporate Office



Manufacturing Units



Exports Imports

Milestones In Our Journey

2002

The Company incorporated and started producing SS washers from Unit-I

2010

The production of finishing line sheets began at Unit I

2016

The Company acquired the Unit-II on a sub-lease basis for the production of SS Tubes and Pipes

2021

The Company crossed the annual turnover of ₹ 350 crore

2023

Ratnaveer Precision Engineering became the first company to make a T+3 listing on NSE. The Company's IPO got subscribed 93.99 times.

2009

It commenced operations from the melting unit (Unit-III) at Waghodia, Vadodara

2013

The Company crossed the annual turnover of ₹ 200 crore

2017

The production of SS tubes and pipes began at Unit-II

2022

It achieved over 50% growth in its export turnover compared to the export turnover recorded in FY 2021





Attributes That Set Us Apart



Backward Integrated Model

At Ratnaveer, we have incorporated backward integration into our operations, which entails that the waste generated from manufacturing the products is converted back into raw materials and utilised in the manufacturing process. This way the waste is reduced, raw materials are generated in-house and the return on investment is maximised.



Forward Integration

Our forward integration process is fully operational. In our tubes and pipes division we are utilising channels to bring products directly to the end-users and providing quality products at competitive prices. This ensures that we have a larger control of the production process and also positions us well by optimising our profitability.



Wide Product Portfolio and Multiple Designs

Our diverse product portfolio consisting of SS washers, SS finishing sheets, SS solar roofing hooks, SS tubes and pipes has enabled us to penetrate the stainless-steel products market and cater to changing customer demands.



Strong R&D Capabilities

Tools and moulds for our products are developed in an in-house R&D facility. Our investments in R&D helps us enhance our existing offerings, introduce new products and reach more customers.



Robust Quality Control

We have stringent quality controls in place spanning the entire product life cycle, from the procurement of raw materials to the production of finished goods.

Strategies In Play



Diversified Customer Base

Our global clientele is spread across 31 countries worldwide reducing our reliance on any specific customer. We have mitigated potential customer- and sector-specific risks by establishing a domestic and international customer base.



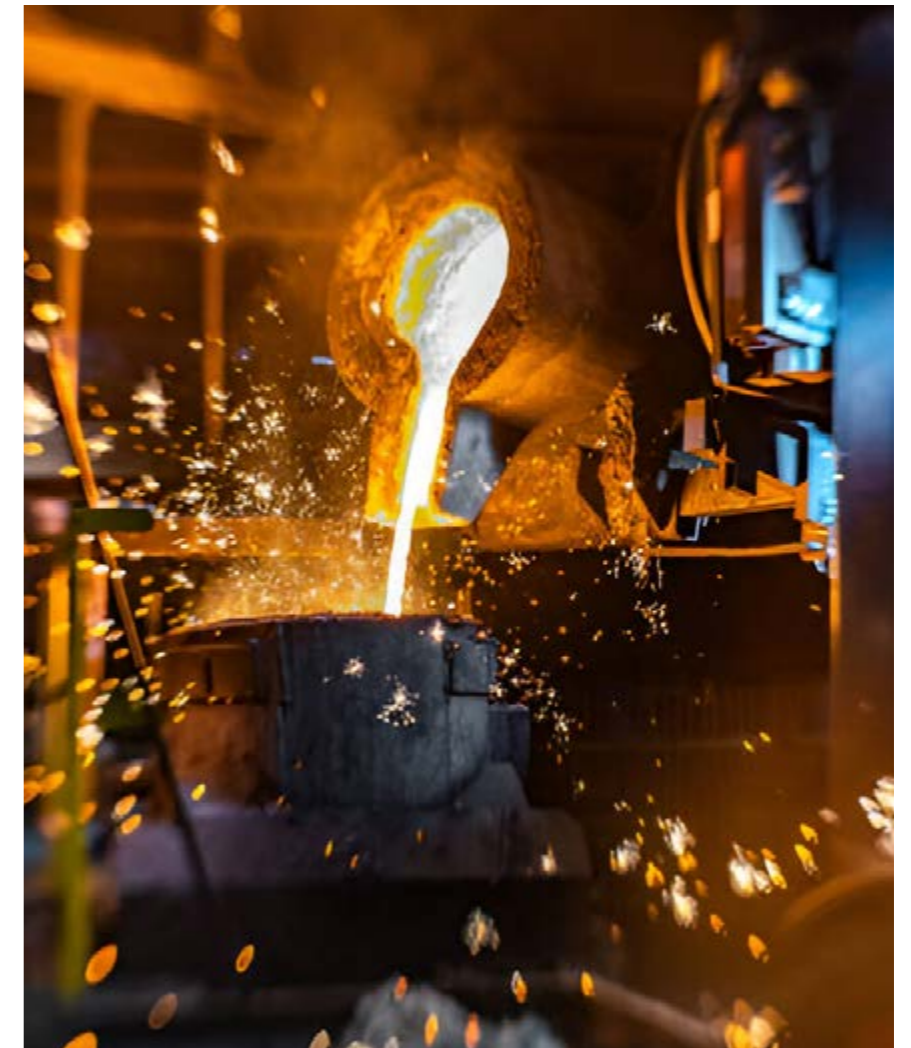
Product Development

Our management team consistently engages in the process of identifying and creating new products and designs. We firmly believe that there is a high demand in global markets for distinctive designs, high quality, and competitively priced products. Our current offerings include more than 2,500 SKUs of SS washers and we intend to add High Margin value addition circlips in our washer segment for which the company has already planned phase wise capex.



Technology and Automation

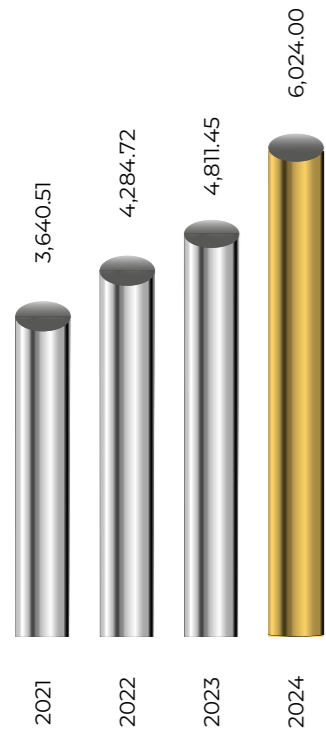
We continuously upgrade our production technology to reduce human error, produce high quality products and improve customer service. Although investments in technological infrastructure are expensive, enhanced operational efficiencies and achieving economies of scale makes the process cost-effective in the long run.



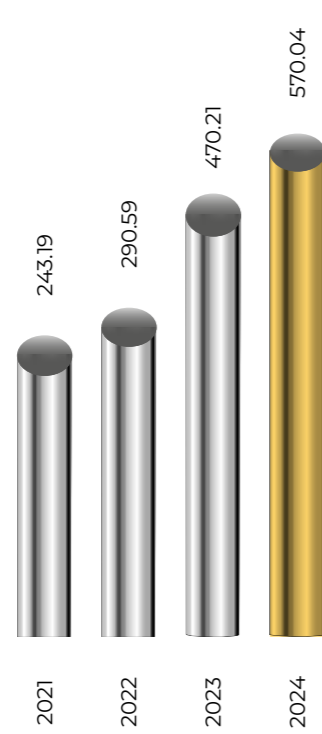


Financial Snapshot

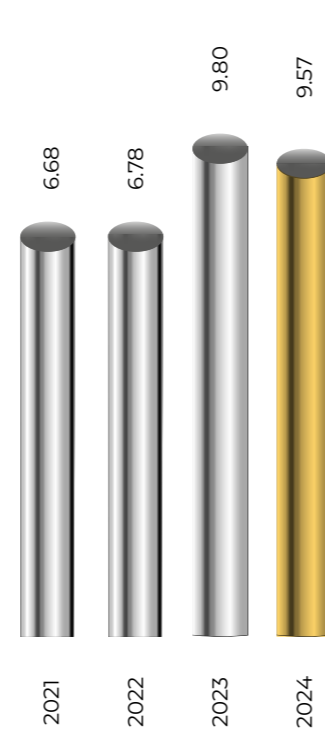
Total Income
(₹ million)



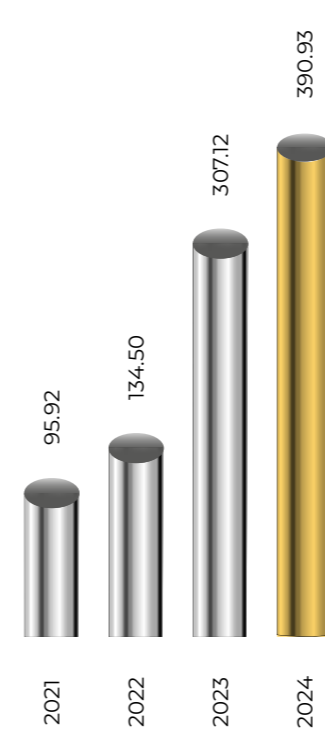
EBITDA
(₹ million)



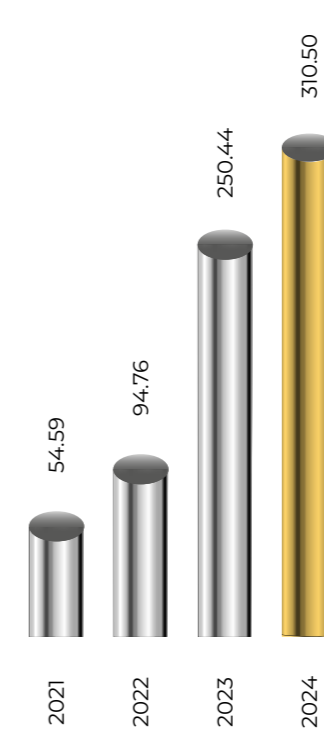
EBITDA Margin
(%)



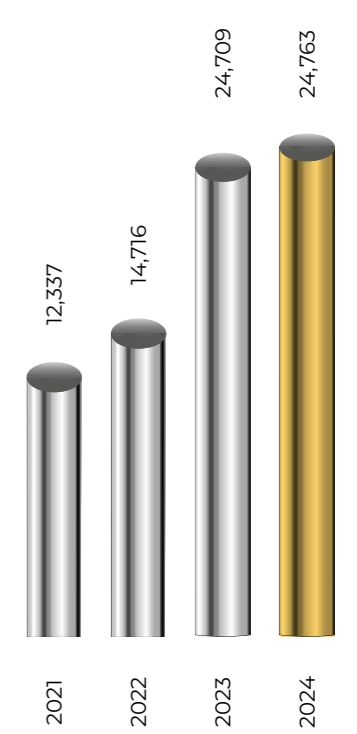
PBT
(₹ million)



Net Profit
(₹ million)



EBITDA Per Metric Ton
(₹)





Managing Director's Message



At Ratnaveer Precision Engineering Limited, we have characterised our response with agility and resilience. We have successfully navigated these complexities by reinforcing our supply chain and enhancing our operational efficiencies. Our team has diligently worked together, driven by our long-term objectives, emerging stronger and more cohesive. Our efforts towards responsible corporate conduct focus not only on environmental sustainability but also on creating a diverse and inclusive workplace and engaging in comprehensive community development initiatives.



Mr. Vijay R Sanghvi
Managing Director

Dear Shareholders,

I am both honoured and excited to address you as we share the remarkable journey of Ratnaveer Precision Engineering Limited over the past fiscal year. Following our successful initial public offering (IPO) and subsequent listing on the stock exchanges in FY 2024, we proudly present our inaugural Annual Report, which embodies a year of transformative growth, innovation, and unwavering commitment to excellence. Your belief in our vision and confidence in our capabilities have been instrumental in propelling us forward in our mission to be the finest in the industry.

Stability Amidst Challenges

The global landscape has undoubtedly presented challenges, notably marked by geopolitical conflicts that have disrupted supply chains and led to surging commodity prices and inflation. These factors have had an impact on consumer confidence and economic activity worldwide. However, at Ratnaveer Precision Engineering Limited, we have characterised our response with agility and resilience. We have successfully navigated these complexities by reinforcing our supply chain and enhancing our operational efficiencies. Our team has diligently worked together, driven by our long-

term objectives, emerging stronger and more cohesive.

India stands as a significant player in the global steel production arena, and the country's outlook is buoyant. The anticipated growth in steel demand, driven by government-led infrastructure spending and a resurgence in private investments, presents a promising landscape for our business. As one of India's largest exporters of SS Washers, we are well-positioned to capitalize on this demand surge, which will inevitably bolster our performance across various fronts, especially with the construction sector thriving.

Record-Setting Financial Performance

It is with great pride that I report our financial performance for the fiscal year 2023-24. We have achieved our highest annual figures across all performance metrics. Our total revenue soared to Rs 602.40 crore, a commendable growth of 25.20% compared to the previous year. The EBITDA rose significantly to Rs 57.03 crore from Rs 47.02 crore, leading to a marked improvement in our EBITDA margin. Moreover, our sales volume witnessed a remarkable increase of 24.10% during the review period, affirming our strategic initiatives and operational excellence.

Forward and Backward Integration- Expanding Our Reach

Our strategic efforts are not confined to merely navigating challenges; they extend to ambitious growth initiatives. In our endeavour to strengthen our market positioning, we are actively pursuing forward integration within our tubes and pipes division. This approach not only allows us to deliver quality products directly to end-users at competitive prices but also optimizes our profitability. Our backward integration facility enables us to independently manufacture washers that adhere to international quality standards. By controlling more of our production processes, we aim to ensure that our offerings remain top-notch while providing significant value to our clients.

Our operational capacity expansion is underway as we enhance our manufacturing efficiency and scale our production capabilities. With over two decades of domain expertise, we are resolutely strengthening our foothold in stainless steel

product manufacturing. To facilitate this, we have strategically positioned our manufacturing units to streamline logistics and cater effectively to both domestic and global demand.

A Commitment to ESG Excellence

As we strive for growth, we remain deeply committed to our Environmental, Social, and Governance (ESG) objectives. It is our corporate responsibility to minimize our environmental footprint while ensuring the welfare of our stakeholders. Ratnaveer Precision Engineering Limited is dedicated to becoming a 100% green power company, paving the way for sustainable operations. We consistently adhere to rigorous standards, including ISO 9001, ISO 14001, and ISO 18001, fostering an environment that prioritizes safety, inclusivity, and quality management. Our efforts towards responsible corporate conduct focus not only on environmental sustainability but also on creating a diverse and inclusive workplace and engaging in comprehensive community development initiatives.

Navigating Challenges and Embracing Opportunities

The past year has not been without its obstacles. We have faced significant difficulties resulting from international market dynamics, rising raw material prices, and increased freight costs. Yet, the challenges have been balanced by ample opportunities. Our expansion into new geographical markets, coupled with our investment in technological advancements, has amplified our potential to meet the burgeoning demand for industrial fasteners across diverse sectors, including automotive, construction, and aerospace.

Through our commitment to innovation, we continue to unlock new avenues of growth and performance improvement.

Looking Ahead

Paving the way forward, we maintain an optimistic outlook for FY 2025. Our targets include achieving Rs 730 crore in total income and raising our EBITDA to Rs 83.67 crore. To realize these objectives, we are set to expand our product range, enhance our manufacturing capacities, and explore new geographical markets. The company has already planned capex, considering the optimistic industry outlook. A significant focus will also be placed on increasing our share of high-margin products, leveraging our backward integration capabilities for superior cost efficiency, and maintaining unwavering quality standards.

A Message of Resilience and Gratitude

As I conclude this message, I wish to express my sincere gratitude to our Board of Directors for their strategic guidance and insights, our dedicated team for embodying our collective commitment to excellence, and our partners and investors for your faith in our vision. Together, we are on a trajectory of sustained success.

I welcome you to remain connected with us as we navigate the opportunities that lie ahead. At Ratnaveer Precision Engineering Limited, we remain dedicated to growth, resilience, and delivering long-term value to all our stakeholders.

Warm Regards,

Mr. Vijay R Sanghvi
Managing Director

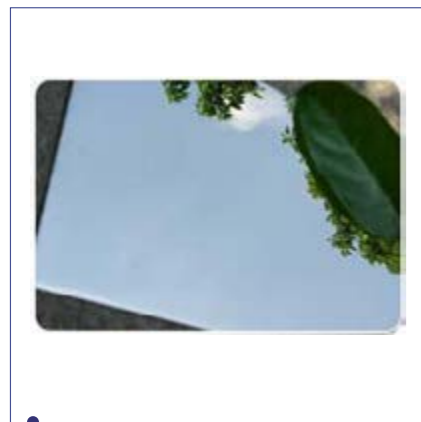


Our Diversified Offerings

Stainless steel is a beneficial product that has strong resistance to corrosion. The corrosion resistance of stainless steel is enhanced by higher levels of chromium and the addition of other alloys. When compared to traditional steel, stainless steel exhibits greater resistance to corrosion, a more appealing aesthetic finish, and a longer lifespan.

These attributes have contributed to the increasing global popularity of stainless steel. Cold rolled flat products are the most widely produced stainless steel product worldwide, followed by hot rolled coils, and steel wire rods & bars. At Ratnaveer, we specialise in a variety of stainless steel (SS) products, such as finished sheets, washers, solar roofing hooks, pipes and tubes.

SS Finishing Sheets



APPLICATIONS

Stainless sheets are thin, flat pieces of steel used in architecture, building and construction (ABC), automotive, railway and transport (ART), food industry, process industry and aerospace industries for their corrosion resistance and custom finishes. Our product range of SS finishing sheets comprises Satin Surface SS Sheets, Hairline SS Sheets, Scotch Bright SS Sheets and Mirror Surface SS Sheets.

SS Washers



APPLICATIONS

Washers are small, disk-shaped plates with a hole used to absorb a shock and evenly distribute the load of a fastener. Stainless steel washers are preferred because of their corrosion- and rust-resistant properties. Our portfolio includes inner ring washers, spring washers, nord lock washers, retaining rings, internal tooth washers and external tooth washers.

SS Solar Roofing Hooks



APPLICATIONS

Roofing hooks are essential for photovoltaic mounting systems for tiled roofs and are mounted directly on the roof battens and rafters. They are vital for solid fastening of photovoltaic systems on pitched roofs to ensure optimal tilt angles for maximum energy harvesting. These hooks are critical for the efficient working of a solar power system in both utility and rooftop applications.

SS Scrap Metals



APPLICATIONS

SS Scrap Metals, made from recycled stainless steel, are valued for their durability and corrosion resistance. They are widely used in producing new stainless steel products, such as kitchen appliances, automotive parts, construction materials, and medical equipment. Recycling SS scrap helps reduce waste, conserve resources, and lower production costs, supporting sustainable manufacturing across various industries.

SS Tubes & Pipes



APPLICATIONS

Stainless steel pipes and tubes are used across various industries, including oil and gas, capital goods, power, chemical plants, fertiliser plants, pharmaceuticals, sugar, dairy products, water desalination and automotive industry, among others. Their ability to resist degradation make them a preferred material for handling hot gases and corrosive liquids.





General Applications of Washers



Aerospace



Solar Energy



Railway Sector

Automobile



Defence



Architectures and Building



Business Operations

Our four manufacturing units are strategically located which facilitates seamless transportation of our products. We manufacture finishing sheets, washers, solar mounting hooks in Unit I and tubes and pipes in Unit II. Unit III and IV incorporate a backward integration process using which steel scrap is converted into steel ingots in Unit III (Melting Unit). In Unit IV (Rolling Unit) flat ingots are processed into sheets which are used as raw materials in washer production.



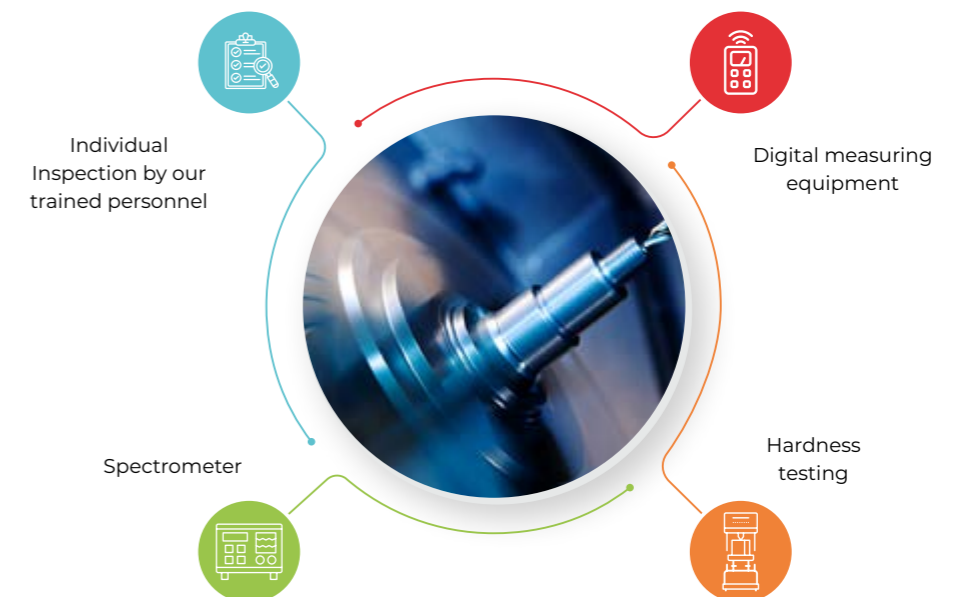
Quality Control

We have provided our customers with top-notch products in line with our 'Customer-first' policy. Stringent quality control measures are implemented at every stage, from the procurement of raw materials to the production of finished goods to ensure that our products comply with international standards.

Our units are subject to periodic audits conducted by the ISO. Our quality control system conforms to ISO 9001:2015, ISO 14001:2015 and ISO 14001:2018 requirements.



Every batch of our products undergoes rigorous testing to minimise quality defects and enhance customer satisfaction by employing





Human Resource

At Ratnaveer, we value diversity and inclusion and strive to empower each individual to excel in their respective roles. To ensure that our workplace adheres to the best health and safety standards, we track regulatory changes, meeting health and safety standards. We ensure the well-being of our personnel undertake awareness initiatives and conduct safety training to prevent the occurrence of hazards.

In our goal to create a healthy and sustainable company, we strive to create a safe, healthy and happy workplace for all our employees. We stringently follow an open-book management style with 360-degree performance management and a transparent and fair evaluation system. It is imperative for our company to take care of the personal and professional growth of our employees. We ensure that by sharing abundant knowledge, training coaching, mentoring and a healthy awards system.



Testament to Quality

We at Ratnaveer hold the relevant certificates which underscores our strict adherence to international standards of Quality management, environmental management and occupational health and safety management.





Delivering on Our Social Commitments

At Ratnaveer, sustainability is a core value that guides our operations. We are dedicated to preserving the environment, contributing to community development, and upholding ethical business practices. Through various initiatives, we have made significant strides in reducing our carbon footprint, promoting employee welfare, and supporting sustainable practices throughout our value chain. Our commitment to sustainability is integral to our mission and vision, driving our actions towards a more responsible and sustainable future.



Health

We support community health projects specially those based on preventative measures. We contribute to the 'Swachh Bharat Kosh' set up by the Central Government to promote sanitation and ensure the availability of safe drinking water.



Education

We encourage employment by enhancing vocational skills of children, women, elderly and the differently abled. We support children of incarcerated parents and offer special programmes for underprivileged children. Our initiatives include providing scholarships and vocational training.



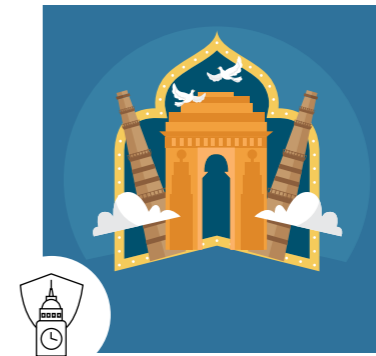
Empowering Women and Fostering Inclusivity

We establish homes and hostels for women and orphans, old age homes and day care centres for senior citizens. We contribute to various funds aimed at uplifting the socio-economic backward groups such as Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.



Sustainability

We undertake initiatives that prioritise maintaining the ecological balance by protecting biodiversity, ensuring animal welfare, encouraging agro-forestry, conserving natural resources and preserving the quality of soil, air and water. We contribute to the 'Clean Ganga Fund' set up by the Central Government for the rejuvenation of the river Ganga.



Preserving National Heritage

We engage in projects aimed at restoring historical buildings, sites and artefacts. We undertake projects for the promotion and development of traditional art and handicrafts.



Awards & Recognition



EEPC Star Performer
2004-2005



EEPC Star Performer
2005-2006



EEPC Star Performer
2006-2007



EEPC Star Performer
2008-2009



EEPC Star Performer
2009-2010



EEPC Star Performer
2011-2012



EEPC Star Performer
2014-2015



EEPC Star Performer
2015-2016



EEPC Star Performer
2016-2017



EEPC Star Performer
2017-2018



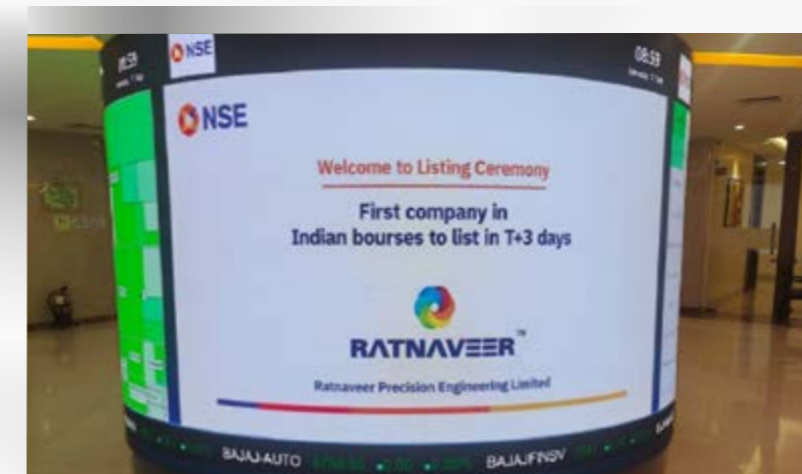
EEPC Star Performer
2018-2019



Mr Vijay R Sanghvi receiving EEPC Star performer awards by Hon. Minister of Finance & corporate affairs, **Smt. Nirmala Sitharaman** for highest exports of washers from India



RATNAVEER
Grand Listing Ceremony at NSE,
Mumbai 11-Sep-2023



RATNAVEER is first company in Indian bourses to list in T+3.



Key Managerial Personnel



Mr. Vijay R Sanghvi
Managing Director

Mr. Vijay R Sanghvi, Entrepreneur with a vision Pursuing all the qualities of a Visionary entrepreneur, aged about 47 years, is a Commerce Graduate from MS University, Vadodara, having more than 25 years of experience in ferrous and non ferrous metal Industries.

Right since inception of the company, he is being actively and wholeheartedly involved in the operations of the company and he is overall in charge of production and marketing functions in the company with strategic focus on export marketing, new product development, customer coordination and related management.

He is carving out a vision of a large corporation with a high growing agenda, well-timed strategic moves and inspired leadership.



Mr. Babulal Sohan Lal Chaplot

Whole Time Director

Mr. Babulal Chaplot, who is the Whole Time Director of the company is BE - Mechanical from MS University Baroda, having rich experience of over 4 decades with various companies like Hindustan Tractors, Girnar Scooters, Hindustan Earth Movers, etc. in various departments like purchase, production, project planning, etc.

He was appointed as Executive Director on Board of the company in 2011. However, he is with the company for over last 15 years and is currently the Whole Time Director of the company. He is in charge of production as well as commercial functions.



Mr. R.V. Sreeram
Independent Director

Mr. Sreeram Vishwanathan R., the Independent Director of the company is qualified as a CA in the year 1991 and also qualified as a CS from ICSI in 1995. At present, he is practicing CA under the firm name ADSS & Co. He was employed as Section Officer (Commercial) with Indian Audit and Accounts Department.

Earlier, he has worked with large corporates like Sun pharmaceutical Industries. He has got opportunity of doing proprietary audits and conducting supplementary audit accounts of public sector undertakings in the field of Oil, Petrochemical Industries and Hydrocarbon industry. He was also a visiting faculty in professional institutes at branch level at Baroda giving lectures on commercial laws, direct and indirect taxes. His firm is doing the statutory and tax compliances on direct and indirect taxes to various companies and firms and also handled many a branch level audits of nationalised banks.



Mrs. Karuna Advani
Independent Director

Mrs. Karuna Advani, the Independent Director of the company is an expert in company law, SEBI rules & regulations, FEMA, IBC. She is a fellow member of ICSI and LLB post graduate.

She is working as a PCS since 2022 with a proven track record of providing expert corporate governance and compliance support to diverse organizations.



Mrs. Binita Verdia
Non Executive Director

Dr. Binita Verdia, the Non Executive Director of the company is Ph.D. holder in Botany, specialization in Plant tissue culture and its applications from Maharaja Sayaji Rao University of Vadodara, Gujarat.

She also holds a degree of Master of Science from Maharaja Sayaji Rao University of Vadodara, Gujarat. She has over two decades of experience Corporate & NGO Management, CSR front, Research and learning nuances of ESG component.



Mr Rajash Shah
Independent Director

Mr. Rajash Shah, an Independent Director of the company is Fellow Chartered Accountant having around 19 years of experience in Banking and Corporates. He is having rich experience in the areas of Corporate Finance & Treasury, International Business development, Merger & Acquisition, Taxation, Statutory compliance. He has been instrumental in various acquisition deal of large corporates. Presently, he is working with Dineshchandra R. Agrawal Infracon Group as a Group Head of finance, accounts and Taxation.



Ms. Swati Sharda
Company Secretary &
Compliance Officer

Ms. Swati Sharda, Company secretary and compliance officer of the company is having 11 years of experience in Company Law, compliance and related matters.

She is having rich experience in the areas of Preparing Search reports, Annual compliances, DIN matters, successfully convening board meeting and AGM, Alteration of Articles, Filing of charges related forms (modification & satisfaction), Drafting of Annual Reports of private limited, public limited and listed companies,

She is well versed with SEBI regulations, LODR, Liasoning with BSE, NSE and RTA for listed company compliances related work, handling shareholder query related to transmission, duplicate issue, IEPF etc, Handling Dividend related work.



Corporate Information

Board Of Directors

Mr. Vijay R Sanghvi
Chairman & Managing Director

Mr. Babulal Chaplot
Whole Time Director

Mr. Sreeram Vishwanathan
Independent Director

Mrs. Karuna Advani
Independent Director

Dr. Binita Verdia
Non Executive Director

Mr. Rajash Shah
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Vijay R Sanghvi

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Swati Sharda
Company Secretary & Compliance Officer

Statutory Auditors

M/s. Pankaj R Shah & Associates
Chartered Accountants
7th Floor, Regency Plaza, Opp. Rahul Tower,
Nr. Madhur Hall, Anandnagar Cross Road, Satellite, Ahmedabad-380015

Cost Auditor

M/s. Ashish Bhavsar & Associates
Cost Accountant
916, shiromani Complex, Opp. Ocean Park, Mehrunagar Satellite Road, Ahmedabad -380015

Secretarial Auditor

M/s. TNT & Associates
Practicing Company Secretaries
218-220 Saffron Complex, Fatehgunj, Vadodara Gujarat -390 002

Internal Auditors

M/s. Bhadresh K Mehta & Co,
Chartered Accountants
A/29, Maheshwari Hsg Society, Near Ward 11 Office, Iskon Temple Road, Vadodara -390 007

Registrar & Transfer Agent

M/s. Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400083

Bankers/ Financial Institutions

HDFC Bank Limited
Indusind Bank Limited
Bandhan bank Limited
UCO Bank Limited
ICICI Bank Limited
Karur Vysya Bank Limited
Yes Bank Limited

Registered Office

E-77, GIDC, Savli (Manjusar)
Dist. Vadodara
Gujarat -391 776
Website : www.ratnaveer.com

Corporate Office

703/704, "OCEAN", Vikram Sarabhai Campus, Vadi Wadi, Vadodara, Gujarat 390 023

Plant Locations

Unit - I

Plot No. E-77 & 78 GIDC, Savli (Manjusar)
Dist. Vadodara
Gujarat-391 776

Unit - II

Plot No. 120, GIDC, Savli (Manjusar)
Dist. Vadodara
Gujarat-391 776

Unit - III

Plot No. 548/549, GIDC Estate , Waghodia,
Dist. Vadodara
Gujarat- 391 760

Unit - IV

Plot No. 1901, Phase -IV ,GIDC,Opp. New Nirma,
Vatva, Ahmedabad
Gujarat -382 440

Subsidiary Company

Ratnaveer StainlessInox LLC
(Wholly own Subsidiary Company)
Address: Sharjah Media City, Sharjah, P.O. BOX 515000, UAE.

NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of **Ratnaveer Precision Engineering Limited (Formerly Ratnaveer Metals Limited)** ("the Company") will be held on Monday, the 23rd day of September, 2024 at 04:00 p.m. (IST) through Video Conferencing / Other Audio Visual Means ('VC/OAVM') to transact the following business:

ORDINARY BUSINESS

Item No.1

To receive, consider and adopt the Audited standalone financial statement of the company for the financial year ended March 31st, 2024 together with and the report of the Board of Directors and Auditors thereon.

Item No.2

To appoint a director in place of Shri Vijay Ramanlal Sanghavi (Din: 00495922), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

Item No.3

To ratify the remuneration of cost auditor for the financial year ending 31st March 2025.

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provision of Section 148 of the Companies Act, 2013 and the Companies (Audit

& Auditors) Rules, 2014, as applicable (Including any Statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratify the remuneration of ₹ 85000/- (Rupees Eighty Five Thousand only) plus out of pocket expenses if any, plus applicable tax on Services (by Whatever name called) payable to M/s. Ashish Bhavsar & Associates, FIRM REG. NO. 000387, who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as the Cost Auditor of the Company, to conduct the audit of the cost records maintained by the Company for the F.Y. 2024-25;"

RESOLVED FURTHER THAT the Board of Directors and/ or any person authorised by the Board, be and is hereby severally authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By the Order of Board of Directors of
Ratnaveer Precision Engineering Limited

VIJAY RAMANLAL SANGHAVI

Chairman & Managing Director

DIN: 00495922

Place: Vadodara

Date: 20.08.2024

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 5, 2022, General Circular No. 10/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ('SEBI') vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated January 5, 2023 (collectively referred to as "SEBI Circulars"), have permitted the holding of AGM through Video Conferencing ("VC") or Other AudioVisual Means ("OAVM"), without the physical

presence of the Members at a common venue vide the above MCA circulars and provided relaxation to companies from dispatching physical copy of annual report vide above SEBI circulars. In compliance with the provisions of the Companies Act, 2013 ("Act"), amended provisions of SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 ("Listing Regulations"), MCA Circulars and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('SS-2'), the AGM of the Company will be held through VC / OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, 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 to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.



3. The Company has fixed Friday, September 13, 2024 as Cut-off date for determining entitlement for remote e-voting as well as e-voting of shareholders holding shares in physical or dematerialized form.
4. The Members can join the AGM in the 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 1000 members on first come first served basis. This will not include large Shareholders (Shareholders 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.
5. 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.
6. The details of Director seeking Appointment / Re-appointment pursuant to provisions of Regulation 36(3) of the Listing Regulations and Secretarial Standard - 2 are annexed herewith as Annexure - A.
7. All the work related to share registry in terms of both physical and electronic, are being conducted by Company's Registrar & Share Transfer Agents, Link Intime India Pvt. Limited, C-101, 247 Park, 1st Floor L.B.S. Marg, Vikhroli West, Mumbai, Maharashtra, 400083, Tel: 8108114949, Email Id: ratnaveerprecision.ipo@linkintime.co.in. The Members are requested to send their communication to the aforesaid address.
8. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11:00 a.m. to 1:00 p.m. on any working day except Saturdays and Sundays and holidays upto the date of Annual General Meeting.
9. In line with the MCA Circulars, the Notice calling the AGM and Annual Report have been uploaded on the website of the Company at www.ratnaveer.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited and NSE Limited at www.bseindia.com and www.nseindia.com and on the website of Link Intime India Pvt. Ltd (authorized agency for providing the e-voting facility) i.e. www.linkintime.co.in
10. ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT: As per the MCA General Circular No. 20/2020 dated 5th May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 6 12th May, 2020, Notice of AGM along with Annual Report for the Financial Year ended 31st March, 2024 is being sent only in electronic mode (through email) to those Members whose e-mail addresses are registered with the Company/ Link Intime India Private Limited or the Depository Participant(s).
11. Members are requested to register / update their details of Email ID, Bank Details by accessing https://www.linkintime.co.in/EmailReg/Email_Register.html which is the portal of the RTA of the Company, M/s. Link Intime India Private Limited.
12. This information has also been placed on the Company's, as well as, BSE's and NSE's websites and notified in Newspapers. The shareholders should take proper care in this regard in their interest as advised in the Notices by the Company. Such action will continue to be enforced year after year.
13. 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 the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Link Intime India Pvt. Ltd (LI IPL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by LI IPL.
14. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021, MCA Circular No. 21/2021 dated December 14, 2021, MCA Circular No. 02/2022 dated May 05, 2022, MCA Circular No. 10/2022 dated December 28, 2022 and MCA Circular No. 09/2023 dated September 25, 2023.
15. Institutional Members/Corporate Members (i.e., other than individuals, HUFs, NRIs, etc.,) are required to send a scanned copy (PDF/JPG format) of their respective Board or governing body Resolution, Authorization, etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting. The said Resolution / Authorization shall be sent to the Scrutinizer by e-mail to csneerajtrivedi@gmail.com with a copy marked to cs@ratnaveer.com. Institutional Members/Corporate Members can also upload their Board Resolution/ Power of Attorney/Authority Letter, by clicking on "Upload Board Resolution/Authority letter", etc. displayed under 'e-Voting' tab in their Login.

16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote at the AGM.
17. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or the Company's RTA, for assistance in this regard.
18. Sebi has mandated submission of pan by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their pan details to their depository participants. Members holding shares in physical form are requested to submit their pan details to the company's rta.
19. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates alongwith the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
20. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from our website at www.ratnaveer.com and website of the Registrar and Transfer Agent ('RTA') at www.linkintime.co.in. Members are requested to submit the said details to their DPs in case the shares are held by them in dematerialized form and to the Company's RTA in case the shares are held by them in physical form, quoting their folio number.
21. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form.
22. Those Members who have already registered their email IDs are requested to keep the same validated with their DP/RTA to enable serving of notices/documents/Annual Reports and other communications electronically to their email ID in future.
23. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations (as amended), MCA Circulars and the SEBI Circulars, the Company is providing its Members the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means (by using the electronic voting system provided by Link intime) either by (i) remote e-Voting prior to the AGM or (ii) remote e-Voting during the AGM. Instructions for Members for attending the AGM through VC/OAVM are explained below.
24. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on Friday, 13th day of September, 2024 ('cut-off date') shall be entitled to vote in respect of the shares held, by availing the facility of remote e-Voting prior to the AGM or remote e- voting during the AGM.
25. Members of the Company holding shares either in physical form or electronic form, as on the cut-off date of Friday, 13th day of September, 2024, may cast their vote by remote e-Voting. The remote e-Voting period commences on Friday, 20th day of September, 2024 at 9:00 a.m. (IST) and ends on Sunday, 22nd day of September, 2024 at 5:00 p.m. (IST). The remote e-Voting module shall be disabled by Link intime for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
26. The Members can opt for only one mode of remote e-Voting i.e., either prior to the AGM or during the AGM. The Members present at the Meeting through VC/OAVM who have not already cast their vote by remote e-Voting prior to the Meeting shall be able to exercise their right to cast their vote by remote e-Voting during the Meeting. The Members who have cast their vote by remote e-Voting prior to the AGM are eligible to attend the Meeting but shall not be entitled to cast their vote again.
27. The Board of Directors has appointed M/s TNT & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the remote e-Voting process, in a fair and transparent manner.



Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- Visit URL: <https://eservices.nsd.com> and click on "Beneficial Owner" icon under "Login".
- Enter user id and password. Post successful authentication, click on "Access to e-voting".
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User not registered for IDeAS facility:

- To register, visit URL: <https://eservices.nsd.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- Proceed with updating the required fields.
- Post registration, user will be provided with Login ID and password.
- After successful login, click on "Access to e-voting".
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- Visit URL: <https://www.evoting.nsd.com/>
- Click on the "Login" tab available under 'Shareholder/Member' section.
- Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- Post successful authentication, you will be redirected to NSDL depository website wherein you can see "Access to e-voting".
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be

redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 - From Easi/Easiest

Users who have registered/ opted for Easi/Easiest

- Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- Click on New System Myeasi
- Login with user id and password
- After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users not registered for Easi/Easiest

- To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- Proceed with updating the required fields.
- Post registration, user will be provided Login ID and password.
- After successful login, user able to see e-voting menu.
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

- Visit URL: <https://www.cdslindia.com/>
- Go to e-voting tab.
- Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- Login to DP website
- After Successful login, members shall navigate through "e-voting" tab under Stocks option.
- Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

- Visit URL: <https://instavote.linkintime.co.in>
- Click on "Sign Up" under 'SHAREHOLDER' tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

Shareholders holding shares in **NSDL form, shall provide 'D' above*

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

- Click on 'Login' under 'SHAREHOLDER' tab.
- Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

- After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
- E-voting page will appear.
- Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 - Registration

- Visit URL: <https://instavote.linkintime.co.in>
- Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"
- Fill up your entity details and submit the form.
- A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- While first login, entity will be directed to change the password and login process is completed.

STEP 2 -Investor Mapping

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- Click on "Investor Mapping" tab under the Menu Section
- Map the Investor with the following details:



- a. 'Investor ID' -
- i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
- b. 'Investor's Name' - Enter full name of the entity.
- c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
- d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be - DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the "Report Section".

STEP 3 - Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.

- b) You will be able to see the notification for e-voting in inbox.
- c) Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.
- e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 - 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click 'forgot password?'

- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on **“SUBMIT”**.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”) has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on **‘Login’** under ‘Corporate Body/ Custodian/ Mutual Fund’ tab and further Click **‘forgot password?’**
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on **“SUBMIT”**.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Process and manner for attending the General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on **“Login”**.
 - Select the **“Company”** and **‘Event Date’** and register with your following details: -
 - A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
 - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
 - Shareholders/members holding shares in physical form shall provide Folio Number registered with the Company
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. Mobile No.:** Enter your mobile number.
 - D. Email ID:** Enter your email id, as recorded with your DP/Company.
 - Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.



Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Statement as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 102 of the Companies Act, 2013, as may be applicable.

Item No. 03

The Board, on recommendation of Audit Committee, has approved the appointment and payment of remuneration of the Cost Auditor M/s. Ashish Bhavsar & Associates, Cost Accountant (Firm Registration No. 000387), to conduct the audit of the cost Records of the Company for the Financial year ending 31st March, 2024 at a remuneration of ₹ 85000/- (Rupees Eighty Five Thousand Only) plus reimbursement of out of pocket expenses and applicable tax if any. In terms of provisions of Section 148 (3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, members' ratification is required for remuneration payable to the Cost Auditor. Therefore, consent of the members of the Company is sought for passing of an Ordinary Resolution as set out in Item No. 3 for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2025.

The Board recommends the Resolution as set out in item no. 3 of the Notice for approval of the Members

None of the Directors or Key Managerial Personnel or their relatives are in anyway concerned or interested in the above resolution.

ANNEXURE A TO THE NOTICE

Details of Directors seeking Appointment/Reappointment at the 22nd Annual General Meeting pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-II issued by the Institute of Company Secretaries of India (“ICSI”) are as under:

| Name of Director | Mr. Vijay Sanghavi (Managing Director-Chairman) |
|--|---|
| DIN No. | 00495922 |
| Date of Birth | 28.09.1977 |
| Age | 47 |
| Date of Appointment | 20.02.2002 |
| Experience | Over 25 years |
| Qualification | Commerce Graduate |
| Chairman / Directorship in other Company | NA |
| Chairman/Member of Committees of the Board of Companies of which he or he is a Director. | Member of Stakeholder Relationship Committee |
| Chairman of Committees of other Companies | NIL |
| Member of Committees of other Companies | NIL |
| No. of Equity shares held | 2,59,68,000 |
| Brief profile and nature of their expertise in specific functional areas. | Vijay Ramanlal Sanghavi is the Managing Director and Chief Financial Officer of our Company. He has been associated with our Company since its incorporation. He holds a bachelor degree in Commerce from the MS University, Baroda. He has over two decades of experience in ferrous and non-ferrous metal Industries. He has been associated with the Company since its incorporation and has been actively involved in the operations of the Company. He is in-charge of the finance and marketing functions in the Company and also overviews production, Research & Development and related management of the Company. |
| Number of meetings of the Board attended during the year 2023-24 | 15 |
| Relationship with Other Directors | NA |
| Terms and conditions of appointment details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable, date of first appointment on the Board. | As agreed between Mr. Vijay R Sanghavi & the Board of Directors of the Company |

By the Order of Board of Directors of
Ratnaveer Precision Engineering Limited

VIJAY RAMANLAL SANGHAVI
Chairman & Managing Director
DIN: 00495922

Place: Vadodara
Date: 20.08.2024



Management Discussion & Analysis

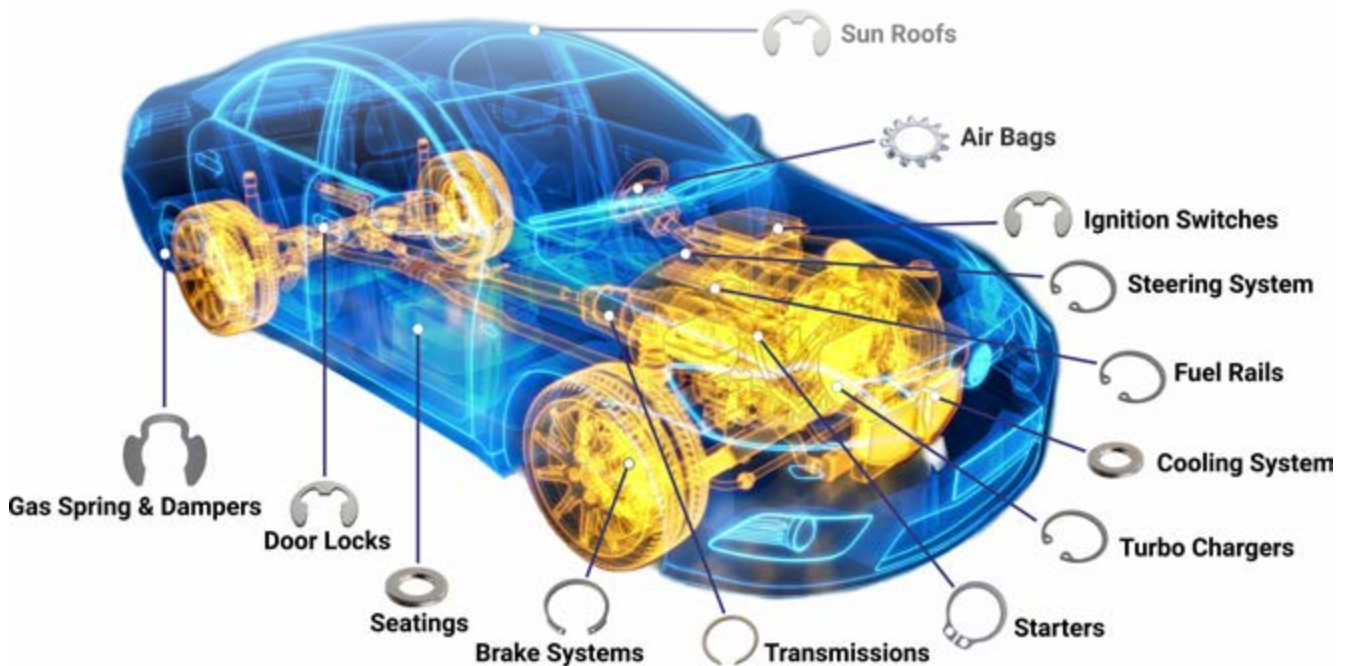
Global Economic Overview

The reported year witnessed the global economy grappling with various macroeconomic challenges. Despite a tumultuous CY 2023, marked by persistent geopolitical turmoil triggering volatility in energy and food markets and inflation, the global economy showcased remarkable resilience, expanding by 3.2%¹. Central banks in major economies resorted to calibrated interest rate hikes to curb inflation. While the strategic monetary policies slowed the global economy, it also aided in avoiding an economic downturn.

The United States, fuelled by robust consumer and government spending and a resurgence in international

trade, achieved a growth rate of 2.5%. In contrast, the European Union and the Euro area experienced slower growth rates of 0.8% and 0.9%² respectively, as internal policies and external geopolitical risks tempered their economic momentum.

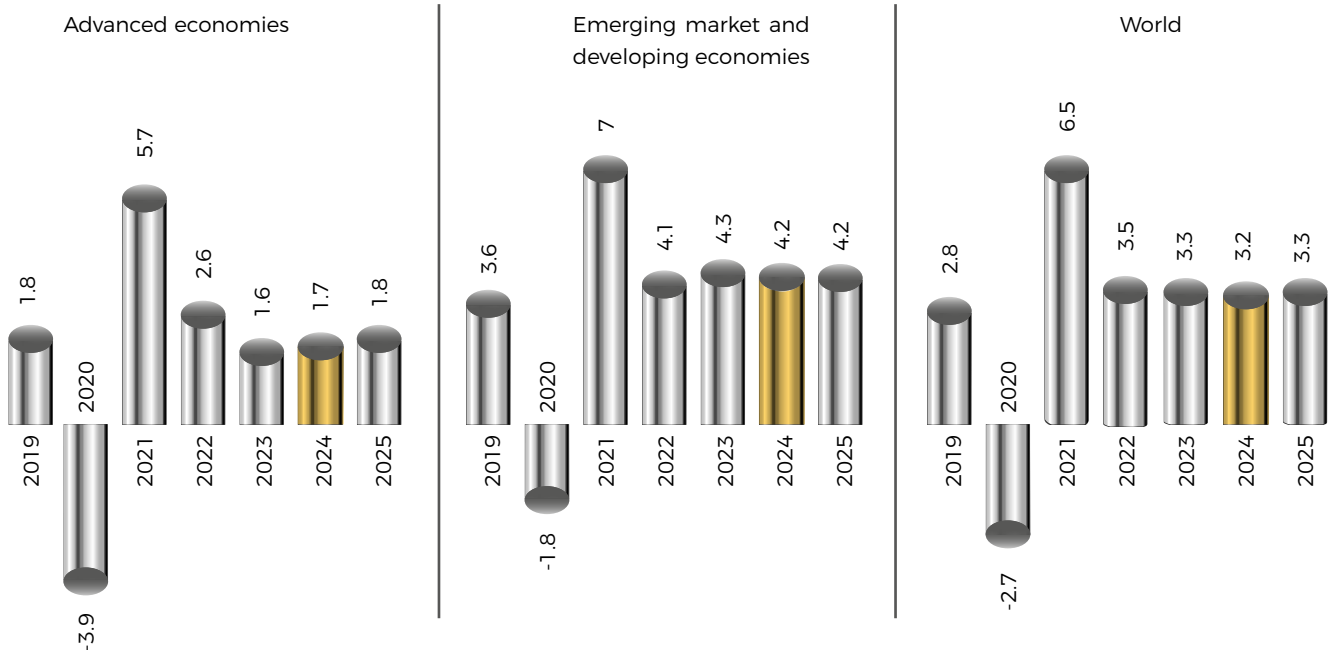
On the other hand, while emerging markets such as India, Vietnam and Mexico experienced positive growth trajectories, China recorded a sluggish growth rate. Owing to gradual recovery from real estate sector challenges, subdued consumer confidence and demographic challenges, China recorded a growth of 5.2%.



A WORLD OF PRECISION

Emerging markets demonstrated commendable growth, supported by diversified economic strategies and foreign investments. Simultaneously, the global economy also drew strength from a resilient labour market, service-driven expansion, strong household and corporate balance sheets and strategic fiscal interventions. Notably, global inflation eased due to declining energy prices and reduced labour shortages, averting a wage-price spiral despite significant banking stress and rapid policy tightening.

Real GDP Growth (Annual Percent Change)



Source: IMF, World Economic Outlook, July, 2024

Outlook³

Looking ahead, it remains cautiously optimistic for the global economy, with the projected growth rate sustaining itself at 3.2%. Inflation is expected to gradually decline, reaching 5.9% in 2024 and further easing to 4.5% in 2025. It is anticipated that inflation rate will decline faster in advanced economies compared to emerging markets, owing to subsiding energy price shocks and robust monetary policy frameworks.

Central banks are planning to strategically ease the monetary policies, supporting the ongoing economic recovery. This coordinated effort aims to facilitate a stable transition towards sustained growth while preventing financial instability. The evolving landscape suggests the potential for a soft landing for the global economy, demonstrating resilience in the face of dynamic trade and investment conditions.

Inflation Rate, Average Consumer Prices (Annual % Change)



Source: IMF, World Economic Outlook, April, 2024

³<https://pib.gov.in/PressReleaseDetailm.aspx?PRID=2022323#:~:text=Annual%20Estimates%20and%20Growth%20Rates&text=Nominal%20GDP%20or%20GDP%20at,a%20growth%20rate%20of%209.6%25>

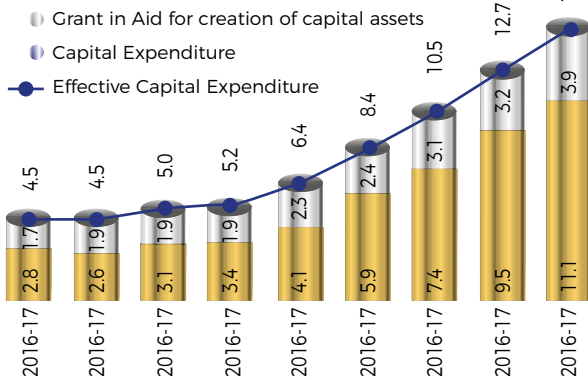


Indian Economic Overview

In FY 2023-24, the Indian economy exhibited robust growth, achieving a GDP expansion of 8.2% . This performance positions India as the fastest-growing major economy globally, surpassing the growth rate observed in the previous fiscal year. A significant contributor to this growth was the substantial increase in capital expenditure, rising from ₹10.5 lakh crore in FY23 to ₹12.7 lakh crore in FY24⁴. This further stimulated private investment and widespread economic activity.

TREND IN CAPITAL EXPENDITURE

(₹in lakh crore)

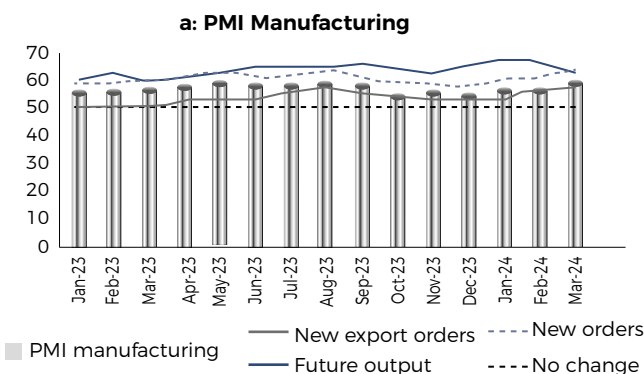


Source: Ministry of Finance: Budget at a Glance: February 2024

The government's prudent fiscal management and well-calibrated monetary policies played a pivotal role in effectively managing inflationary pressures. With the decline in inflation, economic activities steadily improved. Additionally, the strategic initiatives undertaken by the Government of India bolstered consumer confidence and created a favourable environment for sustained economic expansion.

Furthermore, the economy benefited from robust domestic demand, driven primarily by private consumption, and strong performance in both the services and manufacturing sectors. Key economic indicators such as credit growth, GST collections and a consistently strong manufacturing PMI, further validate the economy's dynamism and potential for continued growth and stability.

India Manufacturing PMI



Source: Reserve Bank of India Bulletin April 2024, RBI

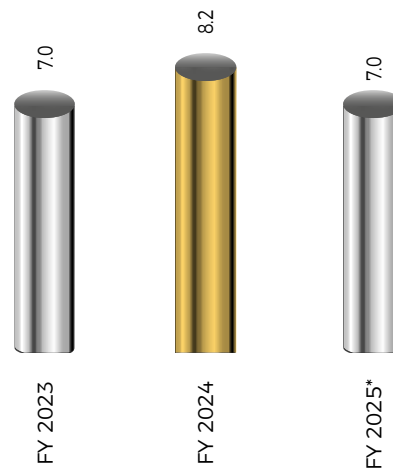
⁴https://www.indiabudget.gov.in/doc/Budget_at_Glance/budget_at_a_glance.pdf

⁶<https://www.hindustantimes.com/india-news/indian-economy-expected-to-achieve-higher-than-7-growth-in-2024-25-ncaer-101714402859266.html>

Outlook

The economic outlook for India remains encouraging, with GDP growth projected to be around 7%⁵ in FY 2024-25. This positive forecast can be attributed to enhanced focus on scaling infrastructure in key sectors such as transport and urban development. Additionally, the anticipated improvement in global economic conditions and the implementation of more accommodative monetary policies in developed nations are expected to further augment private investment and enhance India's export capabilities. The country's strategic fiscal policies and a growing young workforce further contribute to this optimistic outlook, positioning India on a sustainable path of growth and development in the years to come.

GDP Growth (in%)



*Projected





Industry Overview

Global Stainless Steel Industry⁶

The global stainless steel industry is anticipated to reach 1,793 million metric tons in 2024, attaining 1.7% increase. This growth is projected to continue in 2025, with the industry reaching 1,815 million metric tons, growing at a rate of 1.2%. This recovery reflects the positive shift from the industry's recent downturn.

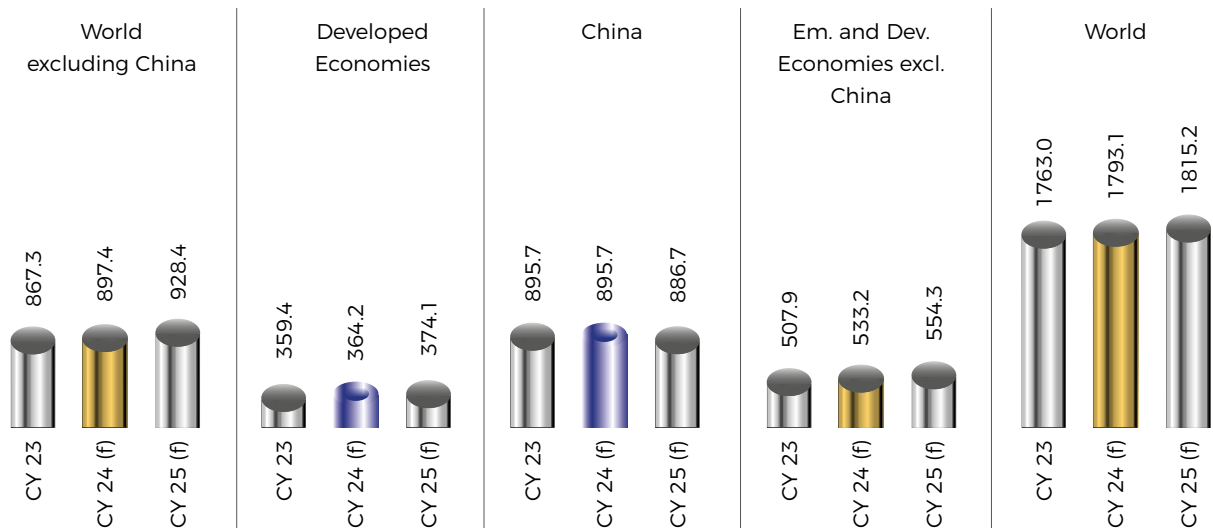
The regional dynamics in steel demand are varied. China, one of world's largest steel producer, anticipates stabilisation in 2024 due to ongoing infrastructure investments despite challenges in real estate. However, a

1% decline is anticipated in 2025 as the country transitions away from investment-led growth.

Conversely, India is expected to witness a substantial increase in steel demand, projected at 8.2% annually for both 2024 and 2025. This growth is likely to be driven by increased emphasis on infrastructure projects and overall economic expansion.

While the European Union is anticipated to record a marginal growth in 2024 and a projected 5.3% growth in 2025, the United States, on the other hand, is experiencing a faster rebound, supported by the Inflation Reduction Act and the growing housing market.

Global Steel Demand Trend and Forecasts (in million metric tonnes)



Source: worldsteel.org

⁶worldsteel-Short-Range-Outlook-April-2024.pdf



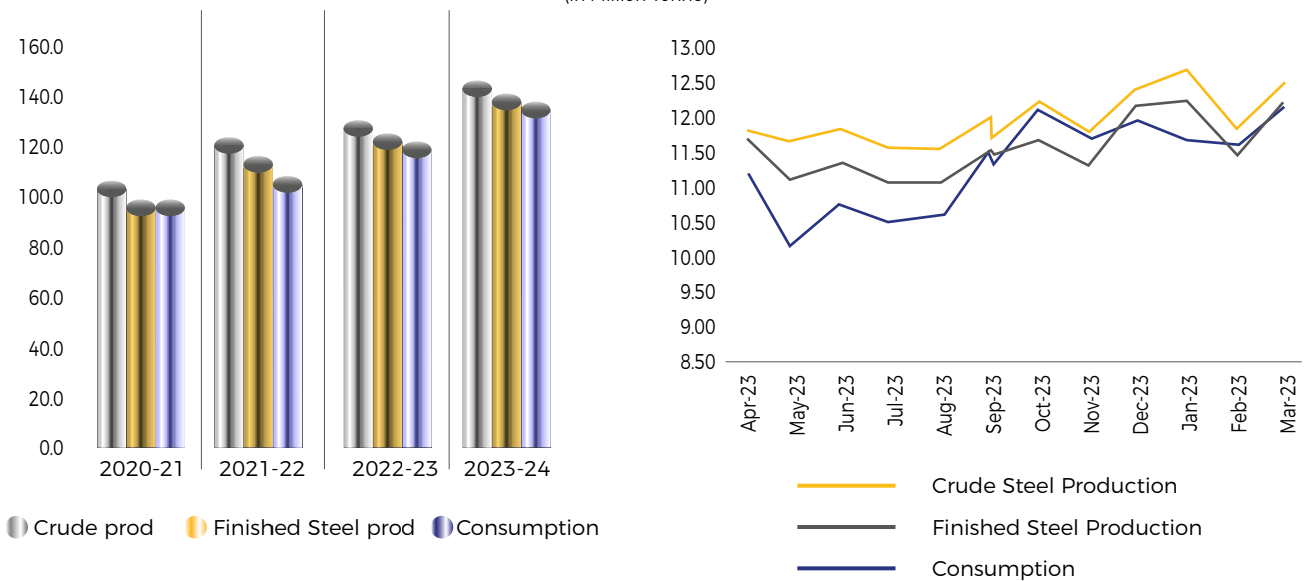
Indian Stainless-Steel Industry

The Indian steel industry is playing a pivotal role in the country’s pursuit of becoming a \$5 trillion economy by 2025. In FY 2023-24, the sector demonstrated remarkable growth, consuming 135.9 metric tonnes of steel⁷. Notably, India produced the highest volume of steel this fiscal year with crude steel at 143.6 MT, while finished steel production reached 138.5 MT. These figures reflect the industry’s prowess to meet the escalating demand from both domestic and industrial sectors.

Government initiatives aimed at bolstering the manufacturing, infrastructure and housing sectors have been instrumental in driving this expansion. Furthermore, the industry transitioning to a net exporter of steel by January 2024 highlights its competitiveness on the global stage. With increasing demand, ongoing government support and a focus on technological advancements, the Indian steel industry is poised for continued growth.

Production and Consumption (April- March)

(in Million Tonne)



Source: Ministry of Steel – Report for FY 2024

Stainless Steel (SS) Sheet Industry

The global stainless steel sheet market is poised for significant growth, with projections indicating an increase from \$112.43 billion in 2023 to \$167.48 billion by 2030, at a compounded annual growth rate (CAGR) of 5.9%⁸. This expansion is primarily fuelled by continuous technological advancements in stainless steel manufacturing processes. For instance, plasma cutting technology has redefined the production landscape by increasing cutting speeds, improving efficiency and delivering superior finishes compared to traditional cutting methods.

Rapid urbanisation, increased mobility, demographic shifts, climate change and broader economic development are expected to play a crucial role in the industry’s growth. With growing awareness about sustainability, key market players are adopting sustainable practices, focusing on the development of durable and recyclable stainless steel products to align with global sustainability goals.

Domestic Demand: Domestically, India has shown a notable increase in stainless steel sales, growing at a CAGR of 4.4% from 2019 to 2023. It is expected that the industry will sustain its growth, maintaining a growth rate of 6.2% up to 2034⁹. This reflects an increasing reliance on stainless steel in various industrial applications due to its high corrosion resistance and versatility.



⁷<https://steel.gov.in/sites/default/files/Monthly%20Summary%20for%20March-2024.pdf>

⁸<https://www.fortunebusinessinsights.com/stainless-steel-sheet-market-104122>

⁹<https://www.futuremarketinsights.com/reports/stainless-steel-industry-analysis-in-india#:~:text=Sales%20of%20stainless%20steel%20in,at%20a%20CAGR%20of%206.2%25.>

Sector-Specific Applications and Growth

Due to inherent properties such as high corrosion resistance, temperature tolerance and strength, stainless steel sheets find its application across a myriad of industries.

Key sectors benefiting from these properties include:

General Manufacturing and Consumer Goods:

Stainless steel is indispensable in the production of kitchenware, automotive parts, machinery and more. Its ability to resist corrosion and high-temperature makes it ideal for use in food processing, chemical plants and aerospace applications.

Construction and Infrastructure: Stainless steel is used in the construction sector for structural components, architectural cladding and decorative elements. The material's durability and aesthetic appeal make it a preferred choice for modern architectural projects.

Automotive and Transportation: The automotive industry employs stainless steel in vehicle structures and components. Its malleability and corrosion resistance are crucial for the longevity and performance of automotive parts

Emerging Trends and Opportunities

The demand for stainless steel sheets is particularly robust in the Architecture, Building and Construction (ABC) segment. This is particularly due to its growing use in external and internal cladding, as well as in decorative applications. Innovations in building design and the growing emphasis on aesthetics have increased the use of stainless steel sheets in both commercial and residential buildings. Furthermore, rapid growth in the organised retail sector and the growing Indian hospitality industry in India presents lucrative opportunities for stainless steel industry.

Impact of Green Building Movements: The paradigm shift towards green buildings has significantly influenced the stainless steel sheet market. As people are becoming more environmental-conscious, sales of stainless steel have gained traction. The material's properties such as long service life and maintenance-free requirements further enhance its suitability for green building standards.

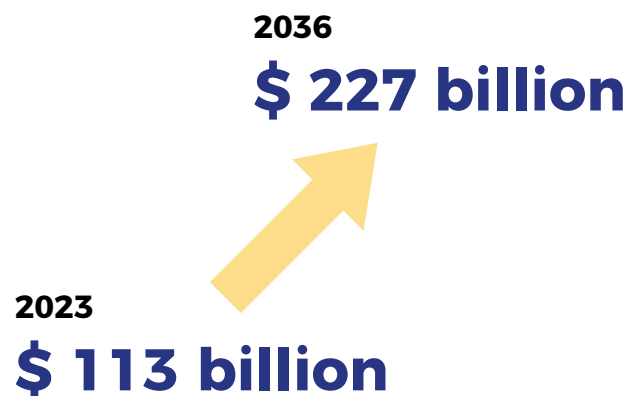
Outlook

The stainless steel sheet market is poised for significant growth, driven by expanding applications in the ABC segment, particularly with the rise of new metro projects. The increasing use of stainless steel sheets for decorative cladding and architectural elements is expected to augment demand, especially for specialised finishes.

Beyond these sectors, the stainless steel also finds its applications in industries such as the process industry and kitchenware manufacturing. Overall, technological advancements, increasing demand across various sectors and the growing emphasis on sustainable building practices are expected to bolster the growth of the stainless sheet market.

Stainless Steel Finishing Sheet Industry

The stainless steel sheet market is booming, expected to reach a staggering USD 227 billion by 2036. This translates to a robust Compound Annual Growth Rate (CAGR) of 6% over the forecast period (2024-2036). In 2023, the industry size stood at a significant USD 113 billion. This surge is driven by a confluence of factors, including large-scale trends like urbanisation and population growth that create demand for infrastructure and consumer goods, as well as the ever-increasing appeal of stainless steel's inherent qualities – superior corrosion resistance, design flexibility, and aesthetic – to product designers and manufacturers across various industries.



¹⁰<https://www.researchnester.com/reports/stainless-steel-strips-market/5701>



Emerging Trends

The stainless steel sheet market is witnessing exciting new trends that are shaping its future:

Technological Advancements in Production: The industry is embracing advancements in production processes to enhance efficiency and product quality. Plasma cutting technology is a prime example, offering faster cutting speeds, improved finishes, and the ability to handle a wider range of thicknesses compared to traditional methods.

Expanding Applications in Consumer Goods: Stainless steel sheets are finding their way into an increasing variety of consumer products. Their durability, corrosion resistance, and aesthetics make them ideal for everything from household appliances and cookware to building materials and automotive parts.

Outlook

The stainless steel sheet market is poised for continued growth, driven by its versatility, growing demand across diverse sectors, and ongoing advancements in production technology. The vast potential for new product applications and the increasing emphasis on sustainability, with stainless steel's inherent longevity, further bolsters the market's optimistic outlook. As the world continues to urbanise and technological innovation accelerates, we can expect the stainless steel strip market to play an increasingly vital role in shaping our built environment and everyday lives.

Stainless Steel Washer Industry

The stainless steel washers market is a thriving industry valued at USD 1.14 billion in 2023 and is poised for steady growth, reaching an estimated USD 1.48 billion by 2030. This translates to a Compound Annual Growth Rate (CAGR) of 4.08% over the forecast period. This market encompasses the manufacturing, distribution, and sale of washers specifically made from stainless steel components. These washers play a crucial role in various industrial applications. They function as fasteners, distributing loads, providing structural support, and preventing threaded fasteners from loosening.

2030

\$ 1.48 billion



2023

\$ 1.14 billion

Emerging Trends

The demand for stainless steel washers is driven by several key trends:

Shifting Preference for Stainless Steel: Industries are increasingly opting for stainless steel fasteners over traditional materials due to their superior corrosion resistance.

Sustainability Focus: The emphasis on sustainable practices is pushing manufacturers to develop washers with improved lifespans, reducing overall waste.

Technological Advancements: Production processes are leveraging advancements in technology to enhance the quality, effectiveness, and precision of stainless steel washers.

Expanding Applications Beyond Traditional Sectors

Expanding market: The market is witnessing a diversification in the use of stainless steel washers. While construction and automotive remain dominant sectors, the washers are gaining traction in new areas like-

- **Aerospace:** Their high strength-to-weight ratio makes them ideal for applications where weight reduction is crucial.
- **Food Processing:** Corrosion resistance and hygienic properties make them suitable for maintaining food safety standards.
- **Medical Industry:** Their durability and resistance to sterilisation processes position them well for medical equipment applications.

Outlook

The stainless steel washers market is a dynamic and growing sector, fueled by a focus on durability, sustainability, and innovation. As technology continues to advance and new applications emerge, we can expect to see even more specialised and high-performance stainless steel washers hit the market in the years to come.

Stainless Steel Pipes and Tubes Industry

The global stainless steel pipes and tube market has shown a robust growth trajectory, with its valuation expected to rise from \$33.95 billion in 2022 to \$51.87 billion by 2031, marking a CAGR of 4.8%¹². In India, the stainless steel pipes and tubes industry is a key contributor to the overall

¹¹<https://www.verifiedmarketreports.com/product/stainless-steel-washers-market-size-and-forecast/>

steel industry, accounting for approximately 8% of India's total steel consumption¹³. The market volume reached 6.98 million tons in 2023 and is projected to increase to 7.66 million tons by 2030.

Emerging Trends

Automotive Industry Demand Surge: Stainless steel pipes and tubes are increasingly utilised in the automotive sector, especially in exhaust systems, fuel lines and cooling systems. With the industry observing a paradigm shift towards more fuel-efficient and environmental-friendly vehicles, including electric and hybrid models, stainless steel pipes are expected to witness a surge in sales. Properties such as durability, lightweight nature and corrosion resistance make stainless steel ideal for modern automotive applications.

Industrial Applications: Stainless steel products find extensive use across several industries, including oil and gas, chemicals and power. Their unique properties make them suitable for critical applications such as heat exchangers, condensers and other equipment in chemical plants, fertiliser plants and more.

Growth Drivers in Various Sectors

Oil and Gas: The expansion of pipeline infrastructure to meet increasing energy demands ensures sustained growth in this sector.

Pharmaceutical Industry: India is the third-largest sector in volume globally. With India focusing to strengthen its manufacturing capacity, it is expected to spur demand for stainless steel pipes and tubes.

Capital Goods Industry: Stainless steel's resistance to corrosion and chemical exposure makes it ideal for manufacturing essential components such as heat exchangers and condensers used across various process industries.

Construction and Real Estate: Despite challenges posed by economic factors, the recovery in construction activities is likely to rejuvenate demand for stainless steel in architectural applications.

Outlook

The Indian stainless steel pipes and tubes industry is poised for growth, driven by robust domestic demand across various sectors. Growth in key industries such as oil and gas, chemicals, pharmaceuticals, and automotive is increasing demand for stainless steel pipes and tubes.

India's increasing focus on developing infrastructure, growing energy needs expanding pharmaceutical and chemical industries are some of the other significant contributors to the growth of the industry. While challenges such as fluctuating raw material prices and import competition persist, governmental initiatives and policy reforms are expected to mitigate these risks and bolster growth. The industry is well-positioned for continued expansion, contributing significantly to India's economic development.



¹²<https://www.businessresearchinsights.com/market-reports/stainless-steel-pipes-and-tube-market-106732>

¹³[https://www.blueweaveconsulting.com/report/india-steel-pipes-and-steel-tubes-market#:~:text=The%20steel%20pipes%20and%20tubes,Welded%20and%20Seamless%20\(S%26S\).](https://www.blueweaveconsulting.com/report/india-steel-pipes-and-steel-tubes-market#:~:text=The%20steel%20pipes%20and%20tubes,Welded%20and%20Seamless%20(S%26S).)



Fastener Industry

The global fastener industry is witnessing steady growth, projected to reach USD 124.98 billion by 2029 with a CAGR of 5.74%¹⁴. This growth is fuelled by the expansion of manufacturing and construction sectors, technological advancements and the increasing demand for high-quality, durable fasteners across various applications.

In India, the market is expected to register a CAGR of 7.9% between 2023 and 2030, reaching USD 17,868 million by 2030¹⁵. Key drivers include India's growing economy, surging infrastructure investments and rising consumer spending. Additionally, global factors such as increasing resistance to Chinese fasteners and geopolitical uncertainties are creating opportunities for Indian manufacturers.

Outlook

The outlook for the fastener industry is positive, both globally and in India. While challenges such as fluctuating raw material prices and stringent quality regulations persist, the industry is expected to navigate these hurdles easily. Leveraging technological innovation, focusing on quality, coupled with increasing demand across various sectors and the rise of India as a global manufacturing

Total Income

| (₹ in million) | |
|----------------|--------------|
| Year | Total Income |
| 2021 | 3640.50 |
| 2022 | 4284.72 |
| 2023 | 4811.45 |
| 2024 | 6024.00 |

hub, the fastener industry is poised for sustained growth in the upcoming years.

Company Overview

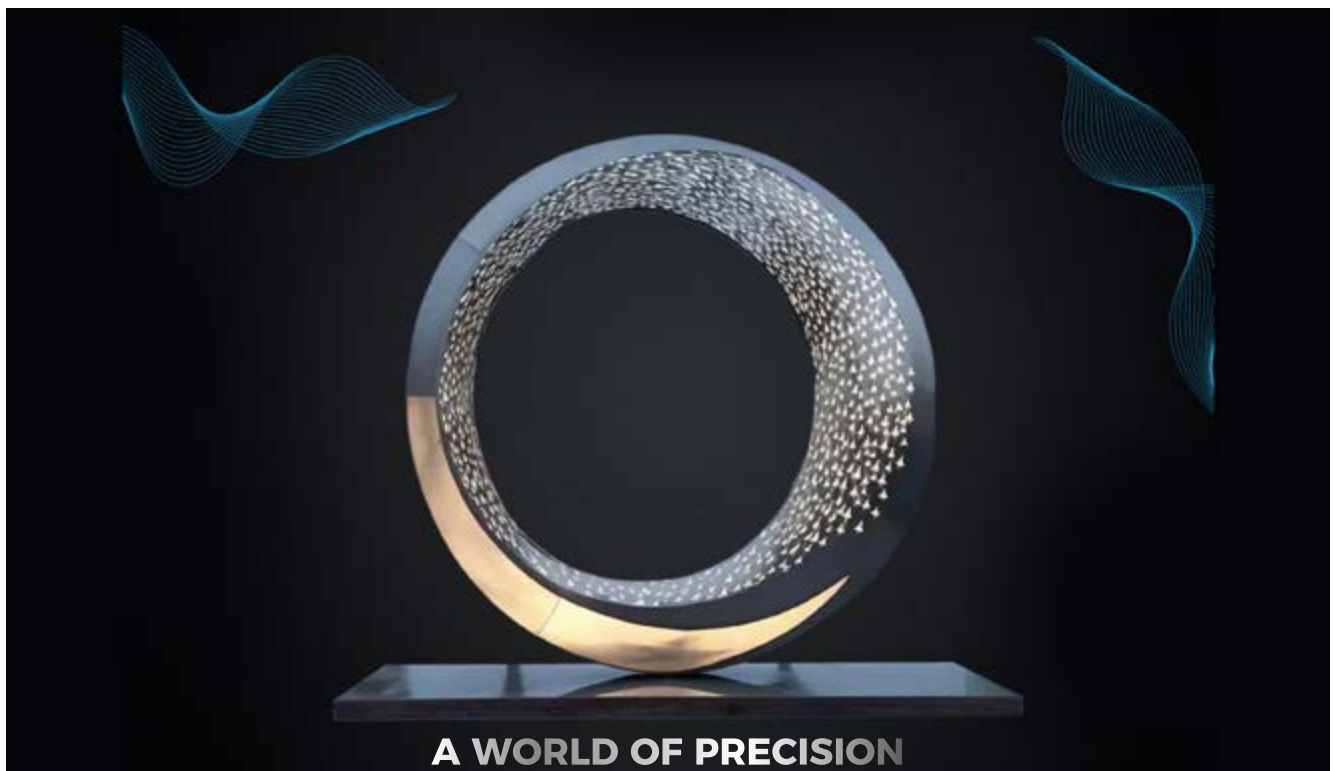
Established in 2002, Ratnaveer Precision Engineering Limited (RPEL) is a prominent player in the precision engineering sector, specialising in the manufacture of high-quality stainless steel products. The Company's diversified product line includes stainless steel sheets, tubes and custom fabrications.

RPEL ensures the products are tailored to meet the stringent requirements of various industries. It is the leading exporter of over 2500 high value-added washers, delivering its products to over 31 countries across the world. The Company operates four state-of-the-art manufacturing units located in Gujarat, India.

Key Strengths

Vertically Integrated Operations: RPEL has an unique backward integration model. The manufacturing waste generated from the Company is recycled into usable raw materials, optimising resource utilisation and enhancing cost efficiency. This self-sufficient approach not only reduces dependency on external suppliers but also reinforces the Company's commitment to sustainable practices.

Diverse and Specialised Product Portfolio: RPEL's comprehensive portfolio spans a wide range of stainless steel products, including over 2,500 SKUs of washers alone. This extensive offering caters to diverse industries, demonstrating the Company's ability to adapt to varying market demands and customer needs.



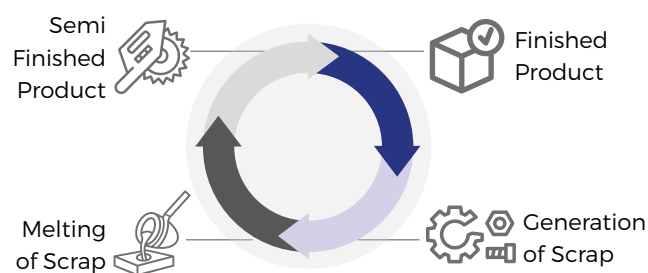
Global Market Reach: RPEL has an extensive geographic footprint, enjoying a dominant market share in both domestic and international markets. This global reach not only diversifies the Company's revenue streams but also strengthens its resilience against market fluctuations.

Stringent Quality Assurance: RPEL maintains stringent quality control measures throughout its production processes, ensuring that its products surpass industry standards. This unwavering commitment to quality has earned RPEL a reputation for reliability and excellence in the industry.

Outlook

RPEL is poised for continued growth, leveraging its diverse and expanding global customer base across India and Europe. The Company's strategy to develop a varied clientele base has significantly reduced geographical concentration risks and ensured a steady stream of revenue. The Company's commitment to introducing new product designs and retaining existing customers, is expected to further enhance its market reach and cater to evolving demands.

Further, RPEL's focus on technology integration and plant automation is anticipated to yield significant cost efficiencies and improve productivity. By investing in advanced manufacturing technologies and process automation, the Company is well-positioned to optimise operations and enhance overall business processes. These strategic initiatives, combined with a strong financial performance and established market presence, will enable RPEL to navigate challenges and capitalise on emerging opportunities.



Financial Overview

| Particulars | FY 2023-24 | FY 2022-23 |
|---|----------------|----------------|
| Revenue from operations | 5953.79 | 4797.48 |
| Other income | 70.21 | 13.97 |
| Total Revenue | 6024.00 | 4811.45 |
| Expenses | | |
| - Cost of material consumed | 5667.35 | 4189.58 |
| - Purchases of stock in trade | | |
| - Changes in inventories of finished goods and work-in-progress | (545.29) | (266.22) |
| - Employee benefit expense | 68.14 | 78.78 |
| - Other expenses | 263.76 | 339.09 |
| EBITDA | 570.04 | 470.21 |
| Depreciation | 58.24 | 40.18 |
| EBIT | 511.8 | 430.03 |
| Finance Cost | 120.87 | 122.92 |
| EBT before exceptional & extraordinary items and tax | 390.93 | 307.11 |
| Exceptional items: Gain on sale of Fixed Asset | - | - |
| EBT before extraordinary items and tax | 390.93 | 307.11 |
| Tax | 80.43 | 56.68 |
| PAT | 310.50 | 250.44 |
| Total Comprehensive Income | (0.06) | (0.13) |
| Profit after Tax and Adjustment | 310.44 | 250.31 |
| EPS | 7.61 | 7.26 |

Key Financial Ratios

| Particulars | FY 2023-24 | FY 2022-23 |
|----------------------|------------|------------|
| Gross Profit Margin | 10.91% | 11.83% |
| EBITDA Margin | 9.57% | 9.80% |
| PAT Margin | 5.21% | 5.22% |
| EPS | 7.61 | 7.28 |
| Return on Equity | 17.34% | 29.12% |
| Debt to Equity Ratio | 0.85 | 2.75 |
| Current Ratio | 1.75 | 1.34 |
| Capex | | |



Risks and Mitigation Strategies

| Risks | Mitigation Strategies |
|--|--|
| <p>Cyclical Nature of End-User Industries: Demand for stainless steel products can fluctuate with economic cycles, government incentives and technological shifts.</p> | <p>Diversified Product Portfolio: RPEL has strategically diversified its products portfolio, going beyond washers. The Company's product portfolio includes stainless steel pipes, tubes and solar roofing hooks, reducing reliance on any single market segment.</p> |
| <p>Raw Material Price Volatility: Supply chain disruptions can trigger fluctuations in raw materials. Volatility in nickel and chromium prices can significantly impact the Company's profitability.</p> | <p>Strategic Sourcing and Hedging: The Company actively engages in long-term contracts with suppliers and explores alternative sourcing options to mitigate price volatility.</p> |
| <p>Different financial risks: A web of financial risk can affect the working of the Company. These risks might include everything from credit risks and interest rate risk (borrowing cost fluctuations) to liquidity risk (cash flow shortfalls) and foreign exchange risk (currency swings).</p> | <p>Proactive Management- The Company ensures each of the potential risks are monitored thoroughly. A dedicated pool of experts regularly gauges the Company's financial health and take proactive steps in case of any discrepancies</p> |
| <p>Regulatory Changes (Environmental, Trade): Evolving environmental regulations or changes in trade policies, particularly concerning stainless steel imports and exports, can disrupt operations. Failure to adhere to the regulations have the potential to tarnish the Company's image.</p> | <p>Proactive Compliance and Advocacy: The Company maintains a proactive approach to regulatory compliance, investing in eco-friendly technologies and participating in industry advocacy efforts to address potential trade barriers.</p> |
| <p>Technological Disruption: With advancements in manufacturing techniques or the emergence of alternative materials, existing processes or products obsolete. If the Company is not able to remain abreast with the latest technological advancements, it is likely to lose competitive advantage.</p> | <p>Continuous Innovation: The Company's dedicated in-house research and development facility focuses on staying at the forefront of technological advancements, continuously refining product designs and manufacturing processes.</p> |
| <p>Competition (Domestic and International): Intense competition from established players and new entrants can put pressure on pricing and impact the Company's market share.</p> | <p>Focus on Quality and Differentiation: The Company maintains stringent quality standards, focusing on product differentiation through customisation and value-added services. This enables the Company to foster strong, long-term relationships with its customers.</p> |
| <p>Operational Risks: Production downtime due to equipment malfunctions or disruptions in the supply chain can impact delivery schedules and affect customer satisfaction.</p> | <p>Preventive Maintenance and Supplier Diversification: The Company implements robust preventive maintenance programmes and has developed contingency plans to address potential supply chain disruptions. The Company also establishes healthy relationships with multiple suppliers to ensure a reliable supply of raw materials.</p> |

Internal Control Systems and Their Adequacy

The Company's internal control framework is designed to safeguard assets, maintain accurate accounting records, and ensure the reliability of financial information and data. This framework is supplemented by internal audits, management reviews, and documented policies and procedures. The Company has a well-defined organisational structure, clear authority levels, and established internal rules and guidelines for conducting business transactions. The Company remains committed to implementing further measures as necessary to adhere to all applicable procedures, guidelines, and regulations in a transparent manner.

The internal audit department conducts periodic reviews of the Company's operations, reporting its findings to the audit committee. This process includes evaluating the functionality and quality of internal controls, providing assurance of their adequacy and effectiveness. Internal audits are carried out as per a risk-based plan, which is reviewed by the audit committee. The committee regularly assesses the findings and recommendations for improvement, and is kept informed of the implementation status of actionable items.

Human Resources

The Company acknowledges its employees as its most valuable asset and undertakes several initiatives to promote their overall well-being. The Company's human resource strategy invests in comprehensive training, promotes professional development and provides a holistic environment for the development of its employees.

RPEL believes that human potential knows no bound and that optimising the workforce potential will bolster the Company's growth. This commitment is reflected in a

positive employee-management relationship. As of March 31, 2024, the Company employed [] individuals.

The safety of the employees holds paramount importance for the Company. RPEL maintains standard safety protocols and provides regular safety trainings to ensure optimum safety.

Through comprehensive HR policies, the Company has cultivated an inclusive work environment that prioritise an employee's both personal and professional development. RPEL has nurtured a skilled and adaptable workforce that contributes significantly to the Company's operational success.

Information Technology

RPEL recognises the critical role of information technology (IT) in driving the Company towards new heights of success. The Company has invested in a robust IT infrastructure to streamline its business operations. This technology-driven approach enables RPEL to enhance efficiency, optimise resource allocation and improve decision-making, propelling the Company's growth and outperforming its peers.

Cautionary Statement

Some of the statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Key factors that can affect the Company's operations include changes in political and economic environment in India and abroad, tax laws, import duties, litigation, and labour relations.





Board's Report

To,
The Members

The Directors are pleased to present the 22nd Annual Report of Ratnaveer Precision Engineering Limited ("the Company") together with Audited Financial Statements of the Company for the Financial Year("FY") ended March 31, 2024.

01. FINANCIAL HIGHLIGHTS:

(₹ in millions)

| Particulars | FY 2023-24 | FY 2022-23 |
|---|----------------|----------------|
| Net Sales/ Income from Operation | 5953.79 | 4797.48 |
| Other Income | 70.21 | 13.97 |
| Total Income | 6024.00 | 4811.45 |
| Profit before interest, Depreciation & Tax | 570.04 | 470.21 |
| Less Interest (Financial Cost) | 120.87 | 122.92 |
| Depreciation | 58.24 | 40.18 |
| Profit/Loss Before Exceptional Item & Tax Exp. | 390.93 | 307.11 |
| Add/Less Exceptional Items | - | - |
| Profit/Loss Before Tax | 390.93 | 307.11 |
| Less Previous years Adjustments | 47.80 | 40.00 |
| Provision for Current & Deferred | 32.63 | 16.68 |
| Net Profit/Loss after tax | 310.50 | 250.44 |
| Total Comprehensive Income/loss | (0.06) | (0.13) |
| Total | 310.44 | 250.31 |
| Add: Balance carried from Profit & Loss A/c | - | - |
| Less: Provision for earlier year taxation | - | - |
| Net Profit/Loss after tax and adjustments | 310.44 | 250.31 |
| Transferred to general Reserve | - | - |
| Balance carried to the balance sheet | 310.44 | 250.31 |
| EPS (Basic & Diluted) | 7.61 | 7.26 |

02. DIVIDEND

Your directors have decided not to declare any dividend for the financial year 2023-24. This is mainly to conserve the Financial resources of the Company for future growth of the Company. Considering the Market Capitalization, the provisions of Dividend Distribution Policy is not applicable to the Company for the FY 2024-25.

03. TRANSFER TO RESERVES

No amount is proposed to be transferred to general reserves for the financial year 2024. The closing balance of retained earning of the Company for financial year 2023-24 for all appropriations and adjustment was ₹ 848.17 millions. During the year the Company has not transferred any amount to general reserve.

04. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There is no change in the nature of business during the financial year ended 31.03.2024.

05. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

In terms of Section 134(3)(l) of the Companies Act, 2013, there have not been any material changes and commitments affecting the financial position of the Company which have occurred during the financial year 2023-24.

06. STATE OF COMPANY'S AFFAIRS AND REVIEW OF BUSINESS OPERATIONS & FUTURE PROSPECTS:

During the year under review, the revenue from operations (standalone) increased by 24.09% from ₹ 4797.48 million in FY 2022-23 to ₹ 5953.79 million in FY 2023-24. Profit before interest, tax, depreciation, and amortization ('EBITDA') increased by 21.32% from ₹ 470.21 million in FY 2022-23 to ₹ 570.04 million in FY 2023-24. Profit after tax from Operations increased by 24.03% from ₹ 250.31 million in FY 2022-23 to ₹ 310.44 million in FY 2023-24. Earnings per share have increased from ₹ 7.26 per share in the FY 2022-23 to ₹ 7.61 per share, recording a growth of 4.82%. The key growth drivers for profits during the year have been

increased sales volume, cost optimization measures, and expansion into new markets.

The Board of Directors are happy to inform you that the Company has maintained the financial position as per the target. We are one of the leading producers of a highest range of S.S. Fastener Industry related products viz. Stainless-Steel Washers, Solar Panel Hooks, Tubes, Finished Sheets and Sheet Metal Products. We have been exporting to various Countries like USA, UK, Germany, France, Italy, Netherlands, Portugal, Spain, Switzerland, Austria etc. Each of the Company's Products undergo various examinations at different stages of production. We are focusing to build long lasting customer relationship which will make us preferred supplier.

In present business scenario, Company is exploring for better growth and will be able to maintain it in by following global standards. However, Company needs to spread its wings and its portfolio by adding new products for emerging amongst new global suppliers.

07. INITIAL PUBLIC OFFER ("IPO") CUM OFFER FOR SALE ("OFS")

The Company in the month of September 2023 had come out with IPO cum offer for sale. The said IPO cum Offer for Sale was overwhelmed by the investors. The Management is thankful to Securities Exchange Board of India ("SEBI") and all other statutory authorities for allowing IPO cum Offer for sale and also thankful to the Investors for reposing faith in the Company. The Company's equity shares were listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) on 11 September 2023.

08. SHARE CAPITAL AND CHANGE THEREIN

Subsequent to the completion of the Initial Public Offer ("IPO") including both Fresh issue and offer for sale, the paid-up equity share capital of the Company increased from ₹ 346,990,400 to ₹ 48,49,90,400.

During the year under review, the Company have issued 1,68,40,000 equity shares to respective bidders at an issue price of ₹ 98 per equity shares, including a share premium of ₹ 88 per equity share through Initial Public Offer (IPO).

Authorised Share Capital of the Company is ₹ 53,00,00,000/- (Rupees Fifty Three Crore Only) divided into 5,00,00,000 (Five Crores) Equity Shares of ₹ 10/- (Rupees Ten only) each and 30,00,000 (Thirty Lakh) Preference shares of ₹ 10 /- (Rupees Ten only) each.

Issued, Subscribed and Paid-up share capital of the Company is ₹ 48,49,90,400/- (Rupees Forty Eight Crore Forty Nine Lacs Ninety Thousand Four Hundred only) divided into 4,84,99,040 (Four Crore Eighty Four Lacs Ninety nine Thousand forty only) Equity Shares of ₹ 10/- (Rupees Ten Only) each.

The Company in its Board Meeting dated 20th August, 2024 has approved allotment of 45,50,349 equity shares of ₹ 10 each on preferential basis to persons belonging to the non-promoter category.

Buy Back of Securities

Your Company has not bought back any of its securities during the year under review.

Sweat Equity

Your Company has not issued any Sweat Equity Shares during the year under review.

Bonus Shares

Your Company has not issued any Bonus Shares during the year under review.

Employee Stock Option Plan

Your Company has not provided any Stock Option Scheme to the employees.

09. DIRECTORS, KEY MANAGERIAL PERSONNEL AND CHANGE THEREIN

During the year under review, there were changes in the composition of the board of directors and KMP of the company.

At the end of the year following are the directors of the company

| Sr. No. | Name of Directors | Designation | Date of Appointment |
|---------|--|---------------------------|---------------------|
| 1 | Mr. Vijay Ramanlal Sanghavi | Managing Director and CFO | 20/02/2002 |
| 2 | Mr. Babulal Sohanlal Chaplot | Whole time Director | 13/06/2011 |
| 3 | Mr. Sreeram Vishwanathan Rishinaradamangalam | Independent Director | 16/04/2022 |
| 4 | Dr. Binita Verdia | Non Executive Director | 07/09/2022 |
| 5 | Mrs. Karuna Advani | Independent Director | 12/12/2023 |
| 6 | Mr. Bharatkumar Kanchanlal Shah | Independent Director | 16/04/2022 |



Pursuant to the provisions of Sections 2(51) and 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons are acting as Key Managerial Personnel of the Company as on the date of this Report:-

- i Mr. Vijay Sanghavi : Managing Director cum CFO
- ii Mr. Babulal Chaplot : Wholetime Director
- iii Ms. Swati Sharda : Company Secretary cum Compliance Officer (w.e.f. 22.05.2024)

The Company has made appointment of Mrs. Karuna Advani (DIN: 02235834) as Independent Director with effect from 12/12/2023 and Ms. Ankita Soni (DIN: 08126490), who was an Independent Director of the Company, whose term expired w.e.f. 23.12.2023 ceased to be as Independent Director in the Company.

The Board on recommendation of Nomination and Remuneration Committee and subject to the approval of the shareholders by way of a Special Resolution proposed to appoint Mr. Ninad Raje (DIN: 07155714), as Independent Director with effect from 22nd May, 2024 for a period of 5 (Five) years and Mr. Rajash Shah (DIN:10630161) as Independent Director with effect from 22nd May, 2024 for a period of 5 (Five) years. However, due to pre-occupation, Mr. Ninad Raje has resigned from the Directorship of the Company on 15.07.2024.

Ms. Prerana Trivedi who was a Company Secretary and Compliance Officer of the Company has resigned from her position on 04.04.2024. The Board has appointed Ms. Swati Sharda a Company Secretary and Compliance officer w.e.f 22.05.2024.

The details in respect of qualification, area of expertise etc. of all the above appointee directors are provided in annexure to the notice. You are therefore in the interest of the company requested to accord your consent to these resolutions.

Based on the confirmation received from the Directors, neither of these Directors are disqualified under Section 164(2) of the Act.

10. INDEPENDENT DIRECTORS

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with sub rule (1) and sub rule (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI Listing Regulations and they are independent of the management and they have complied with the code for independence prescribed in Schedule IV of the Act.

In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. They are not liable to retire by rotation in terms of Section 149(13) of the Act.

The Board is of the opinion that the all Directors including the Independent Directors of the Company possess requisite qualifications, experience and expertise in their relative fields and that they hold highest standards of integrity.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ("IICA") in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

11. FAMILIARISATION PROGRAMME

In compliance with the requirements of Regulation 25(7) of the SEBI Listing Regulations, the Company has put in place a Familiarisation Programme for the Independent Directors to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc. The details of the Familiarisation Programme imparted to Independent Directors are available on the Company's official website at <https://ratnaveer.com/policy/FamiliarisationProgrammeforIndependentDirectors.pdf>.

12. FORMAL ANNUAL EVALUATION

Pursuant to the provisions of Section 134(3)(p) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, Board's Committees, as well as, Directors individually including performance of Independent Directors, after seeking inputs from all the Directors/Committee members and finds it satisfactory. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Your Company has also received declaration from all the Directors and senior management personnel on compliance of Code of Conduct for Directors and senior management personnel, formulated by the Company.

13. BOARD AND COMMITTEE MEETINGS

During the year under review, 15 Meetings of the Board of Directors were held in accordance with the provisions of the Companies Act, 2013 read with rules made there under and the applicable secretarial standards. The details of the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report which forms part of the Annual Report of the Company.

Details of Committee Meetings

The Company has duly constituted the following mandatory Committees in terms of the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time viz.

- a. Audit Committee;
- b. Nomination and Remuneration Committee;
- c. Stakeholders Relationship Committee and
- d. Corporate Social Responsibility Committee;

The Composition of all such Committees, number of meetings held during the year under review, attendance of each of the Directors at such meetings, brief terms of reference and other details have been provided in the Corporate Governance Report which forms part of this Annual Report. All the recommendations made by the Committees were accepted by the Board.

14. SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review, two (2) Separate meeting of Independent Directors was held on 28.08.2023 and 05.03.2024. The details of the Independent Directors Meeting and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Report.

15. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3) (C) of the Companies Act, 2013, the Board hereby submits its Responsibility Statements that:-

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation 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 at the end of the financial year and of the profit of the Company for that period;

- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act 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 devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f) Internal financial controls (as required by explanation to section 134(5)(e) of the Act) is being followed by the Company and that such internal financial controls are adequate and were operating effectively;

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes forming part of the Financial Statements and forms a part of this Annual Report.

17. UTILISATION OF IPO PROCEEDS

Your Company is utilising IPO proceeds as per the objects stated in the Prospectus of the Company and pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") during the period under review, there was no deviation / variation in utilisation of funds raised in respect of the Initial Public Offering of the Company. The Company has appointed Care Ratings Limited as Monitoring Agency in terms of Regulation 41 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time, to monitor the utilisation of IPO proceeds and the Company has obtained monitoring reports from the Monitoring Agency from time to time.

The Company has after placing before the Audit Committee and the Board, submitted the statement(s) and report as required under Regulation 32 of the SEBI Listing Regulations to both the exchanges where the shares of the Company are listed.



18. INDUSTRIAL RELATIONS

During the year under review, the Industrial Relations remained cordial. Your Company is committed to uphold its excellent reputation in the field of Industrial relations.

19. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

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

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has formed an Internal Complaint Committee ("ICC") for its workplaces to address complaints pertaining to sexual harassment in accordance with the POSH Act. The Company has a detailed policy for prevention of sexual harassment at workplace which ensures a free and fair enquiry process with clear timelines for resolution.

The Policy is uploaded on the website of the Company at <https://ratnaveer.com/policy/PolicyonPreentionofSexualHarassment.pdf>.

During the Year under review the company has not received any complaints on sexual harassment. Further details has been provided in the Corporate Governance Report which is forming part of this Report.

20. BOARD DIVERSITY

The Company recognizes and embraces the importance of a diverse Board in its success. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The policy is available on our website at <https://ratnaveer.com/policy/BoardDiversityPolicy.pdf>.

21. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to section 197 (12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the

employees of the Company is given in Annexure "A". The disclosure is available for inspection by the Members at the Registered Office of your Company during business hours on all working days of the Company up to the date of the ensuing AGM. Any Member interested in obtaining such information may send their email to cs@ratnaveer.com.

There is no Employee in the company who was / is drawing remuneration more than managerial personnel nor there is any employee who has drawn remuneration more than ₹ 102.00 Lakhs p.a. or 8.50 Lakhs p.m. as described under Rules Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

22. SUBSIDIARY AND ASSOCIATE COMPANIES

The Company has incorporated one foreign wholly owned subsidiary Company at UAE namely Ratnaveer StainlessInox LLC (Limited Liability Company), which received business license on 17th October, 2023. The Said subsidiary Company is yet to commence business operation. Hence Consolidation of Financial Statement is not applicable.

The Company does not have any joint venture or associate Company.

23. CREDIT RATING

During the financial year under review, the long term and short term credit ratings of your Company has been reaffirmed to "IVR BBB+/Stable Outlook" and "IVR A2" respectively.

24. RELATED PARTY TRANSACTIONS

All Related Party Transactions as entered into during the financial year were at Arm's Length basis and were in ordinary course of business. No materially significant related party transactions were entered by the Company with Promoters, Directors, Key Managerial Personnel, other designated persons or other related parties, which may have potential conflict with the interest of the Company at large.

All related party transactions were approved by the Audit Committee, as well as, the Board of Directors.

The summary of such transactions is given in Note No. 42 of 'Notes forming part of Accounts'.

The Policy on Related Party Transactions has been uploaded on the Company's Website, web-link of which is <https://ratnaveer.com/policy/PolicyonDealingwithRelatedpartyTransactions.pdf> Form AOC - 2 as required under section 134 (3) (h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 is attached as Annexure "A (1)".

25. DISCLOSURE ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of Sub-section 3(m) of Section 134 of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure "B" forming part of this report.

26. ANNUAL RETURN AND EXTRACT OF ANNUAL RETURN

As per provisions of Section 92 of the Companies Act, 2013 read with Rules made thereunder, a draft Annual Return of the Company for the financial year 2023-24 is available on the website of the Company, web-link of which is <https://ratnaveer.com/policy/MGT-72024.pdf>

27. CORPORATE SOCIAL RESPONSIBILITY ("CSR") POLICY

Your Company fall within the purview of Section 135 of the Companies Act, 2013. The Company has constituted Corporate Social Responsibility Committee and has initiated action to spend CSR amount during the year 2023-24. The Corporate Social Responsibility report is enclosed as Annexure "C".

The Company is actively associated with various social activities undertaken by different Trusts and Societies, without any legal and statutory requirements. As a constructive partner in the communities in which it operates, the Company has been taking concrete action to realize its social responsibility objective. The Company has been playing a proactive role in the socio-economic growth and has contributed to all spheres ranging from sports, health, education, environment conservation etc.

28. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has a well-defined Whistle Blower Policy and has established Vigil Mechanism which provides adequate safeguards against victimization of Reporting persons who follow such mechanism and also make provisions for direct access to the Chairman of Audit Committee in appropriate cases. The Vigil Mechanism/Whistle Blower Policy has been placed on the Company's website <https://ratnaveer.com/policy/VigilMechanismWhistleBlowerPolicy.pdf>

29. POLICY ON NOMINATION AND REMUNERATION

In compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation

19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down a Nomination and Remuneration policy which has been uploaded on the Company's website. The web-link for Nomination & Remuneration Policy is <https://ratnaveer.com/policy/NominationandRemunerationPolicy.pdf>. The salient features of the NRC Policy are as under:-

- a) Setting out the objectives of the Policy
- b) Definitions for the purpose of the Policy
- c) Policy for appointment and removal of Director, KMP and Senior Management.
- d) Policy relating to the remuneration for the Managerial Personnel, KMP, Senior Management Personnel & other employees.

The details with respect to terms of Reference are provided in the Corporate Governance Report form part of this report.

30. RISK MANAGEMENT POLICY

The Company has a structured Risk Management Policy. The Risk Management Process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process so that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section.

31. COMMITTEES OF THE BOARD

The Company has already formed the following Committees to ensure timely compliances and better corporate governance of all the applicable rules and regulations:

- (i) Audit Committee, 2) Nomination & Remuneration Committee and 3) Stakeholders Relationship Committee. The details about these committees are given in the Corporate Governance Report.

32. INSURANCE

The properties of the Company including plant and machinery, stocks etc. have been adequately insured. The Company has also taken adequate insurance cover for loss of profit and Standing Charges.

33. FINANCE

During the year under review, your Company availed various financial facilities from the existing Bankers



as per the business requirements. Your Company has been regular in paying interest and in repayment of the principal amount of the term lenders.

34. AUDITORS

A) STATUTORY AUDITORS

M/s. Pankaj R. Shah & Associates; Chartered Accountants (FRN: 107361W) Ahmedabad who were appointed as Statutory Auditors of the Company at the 20th Annual General Meeting will continue as such for the term of five years.

B) SECRETARIAL AUDITORS

Pursuant to the provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. TNT and Associates, (CP No: 3123) a firm of Practicing Company Secretaries, Vadodara, as Secretarial Auditors for the financial year 2024-25 to undertake Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2023-24 is annexed herewith as Annexure "D".

C) COST AUDITOR

M/s. Ashish Bhavsar & Associates, Cost Accountants, have been appointed as Cost Auditors for audit of Cost Records and Statements for the financial year 2024-25. The proposed remuneration for the said financial year, as stated in the notice of the ensuing Annual General Meeting, is to be confirmed by the shareholders as required under section 148 of the Act.

Further the company has made and maintained proper Cost Records as specified by the Central Government under Section 148 (1) of the Companies Act, 2013 for its business activities carried out during the year.

D) INTERNAL AUDITORS

M/s. Bhadresh K Mehta & Co (Memb No-39858), Chartered Accountants, Vadodara have been appointed as Internal Auditors for conducting internal audit of the Company for the financial year 2024-25.

Explanation or Comments on disqualifications, reservations, adverse remarks or disclaimers in the Auditors' Reports;

No disqualifications, reservations, adverse remarks or disclaimers have been reported in the Auditors' Reports, requiring any explanation or comments by the Board of Directors of the Company.

35. REPORTING OF FRAUD DURING THE YEAR UNDER REVIEW

The Auditors have not reported any instances of frauds committed in your Company by its officers or

employees, to the Audit Committee under Section 143(12) of the Act details of which needs to be mentioned in this Report.

36. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

The Company has complied with all the applicable requirements of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Separate Report on Corporate Governance and a Certificate obtained from TNT & Associates, Practicing Company Secretaries, regarding compliance with the conditions of Corporate Governance and Management Discussions & Analysis Report which forms part of this Report.

37. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and/or material orders were passed by any Regulator or Court or Tribunal impacting the going concern status and the Company's operation in future.

38. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems, commensurate with the size and scale of the Company. However, looking to the need of the time it has been decided to widen the scope of internal audit and accordingly internal auditors have been appointed who submit their periodical reports to the Board and their advices are adopted and needful is done, if required for better control.

39. UNCLAIMED EQUITY SHARES AND DIVIDEND AND TRANSFER OF FUND TO IEPF AUTHORITY

During the year under review, no amount was required to be transferred to Investor Education and Protection Fund (IEPF) as Company has not declared any dividend in the past.

Your Company has appointed Ms. Swati Sharda, Company Secretary & Compliance Officer and also as Nodal Officer of the Company. Details of the same are available on the website of the Company at www.ratnaveer.com

40. SECRETARIAL STANDARDS

All the applicable secretarial standards are being followed by the Company.

41. DEPOSITS

During the year under review, no such instance occurred where the Company has failed to complete or implement any corporate action within specified time limit.

42. FAILURE TO IMPLEMENT ANY CORPORATE ACTION

During the year under review, no such instance where the Company has failed to complete or implement any corporate action within specified time limit.

43. PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE ("IBC")

There is no such proceeding or appeal pending under Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year and at the end of the financial year, even upto the date of this report.

44. THE DETAILS 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

No such instance of One-time settlement or valuation was done while taking or discharging loan from the Banks / Financial institutions occurred during the year.

45. REVISION IN FINANCIAL STATEMENT OR BOARDS REPORT

During the year under review, no revision in Financial Statement or Boards Report has been made pursuant to section 131 of the Companies Act, 2013.

46. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

As on the date of this Report, your Directors are not aware of any circumstances not otherwise dealt with in this Report or in the financial statements of your Company, which would render any amount stated in the Accounts of the Company misleading. In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report, which would affect substantially the result or the operations of your Company for the financial year in respect of which this report is made.

47. CAUTIONARY STATEMENT

Statements in the Annual Report, including those which relate to Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking' statements within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

48. ACKNOWLEDGEMENTS

The Bankers and financial institutions have extended their full support, cooperation and valuable assistance to the Company. Your Directors place on record their appreciation for the same.

For and on behalf of the Board of Directors of
RATNAVEER PRECISION ENGINEERING LIMITED

VIJAY RAMANLAL SANGHAVI

Chairman

(DIN: 00495922)

DATE: 20.08.2024
PLACE: VADODARA



Annexure “A” to the Board’s Report

Disclosure under Section 197(12) of the Act and Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2023-24, the percentage increase in remuneration of each director and Chief Financial Officer during the financial year 2023-24:

| Sl. No. | Name of Director/Key Managerial Personnel | Designation | Ratio of remuneration of each Director to median remuneration of Employees | Percentage increase in Remuneration during 2023-24 (%) |
|---------|---|--|--|--|
| 1 | Mr. Vijay Sanghavi | Managing Director & CFO | 207.4:1 | NIL |
| 2 | Mr. Babulal Chaplot | Executive Director | 3.23:1 | NIL |
| 3 | Ms. Prerana Trivedi | Company Secretary & Compliance Officer | 2.36:1 | 30.16 |

- a) The non-executive directors of the Company are entitled to sitting fees for meetings attended as per the statutory provisions. The details of remuneration of non-executive directors have been exhibited in the Corporate Governance Report and is governed by the Nomination and Remuneration Policy. The ratio of remuneration and percentage increase for non executive director’s remuneration is therefore not considered for the above purpose.
- b) The percentage increase in the median remuneration of Employees for the financial year 2023-24 was 28.83% as compared to previous year.
2. The Company has 137 permanent employees on the rolls of the Company as on 31st March, 2024.
3. It is hereby affirmed that the remuneration paid during the year is as per the Nomination and Remuneration Policy of the Company.

Disclosure under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

- A) None of the employees was employed throughout the year who was in receipt of remuneration of more than ₹ 102.00 lakhs per annum.
- B) None of the employee was employed for part of the year who was in receipt of remuneration of more than ₹ 8.50 lakhs per month.
- C) No employee was in receipt of remuneration in the financial year which, in aggregate, or as the case may be, was at a rate which, in aggregate, is in excess of that drawn by the Managing Director(s) and holds by himself or along with his spouse and dependent children, two percent of the equity shares of the Company.

For and on behalf of the Board of Directors of
RATNAVEER PRECISION ENGINEERING LIMITED

VIJAY RAMANLAL SANGHAVI

Chairman

(DIN: 00495922)

DATE: 20.08.2024

PLACE: VADODARA

ANNEXURE A (1) TO THE BOARD'S REPORT**FORM 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 transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL**2. Details of material contracts or arrangement or transactions at arm's length basis:**

| Sr. No. | Particulars | Details |
|----------------|---|--|
| a) | Name(s) of the related party and nature of relationship | Seema Vijay Sanghavi |
| b) | Nature of contracts/arrangements/transactions | Rent Paid |
| c) | Duration of the contracts / arrangements/transactions | On Ongoing Basis |
| d) | Salient terms of the contracts or arrangements or transactions including the value, if any | Any contracts / arrangement / transactions entered into by the company in its ordinary course of business are made at arm's length basis |
| e) | Justification for entering into such contracts or arrangements or transactions | - |
| f) | date(s) of approval by the Board | 29.05.2023 |
| 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 | - |
| a) | Name(s) of the related party and nature of relationship | Vijay R Sanghavi |
| b) | Nature of contracts/arrangements/transactions | Rent Paid |
| c) | Duration of the contracts / arrangements/transactions | On Ongoing Basis |
| d) | Salient terms of the contracts or arrangements or transactions including the value, if any | Any contracts / arrangement / transactions entered into by the company in its ordinary course of business are made at arm's length basis |
| e) | Justification for entering into such contracts or arrangements or transactions | - |
| f) | date(s) of approval by the Board | 29.05.2023 |
| 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 | - |
| Sr. No. | Particulars | Details |
| a) | Name(s) of the related party and nature of relationship | Vijay R Sanghavi (HUF) |
| b) | Nature of contracts/arrangements/transactions | Rent Paid |
| c) | Duration of the contracts / arrangements/transactions | On Ongoing Basis |
| d) | Salient terms of the contracts or arrangements or transactions including the value, if any | Any contracts / arrangement / transactions entered into by the company in its ordinary course of business are made at arm's length basis |
| e) | Justification for entering into such contracts or arrangements or transactions | - |
| f) | date(s) of approval by the Board | 29.05.2023 |
| 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 | - |



| Sr. No. | Particulars | Details |
|----------------|---|--|
| a) | Name(s) of the related party and nature of relationship | Ratnaveer Industries |
| b) | Nature of contracts/arrangements/transactions | Rent Paid |
| c) | Duration of the contracts / arrangements/transactions | On Ongoing Basis |
| d) | Salient terms of the contracts or arrangements or transactions including the value, if any | Any contracts / arrangement / transactions entered into by the company in its ordinary course of business are made at arm's length basis |
| e) | Justification for entering into such contracts or arrangements or transactions | - |
| f) | date(s) of approval by the Board | 29.05.2023 |
| g) | Amount paid as advances, if any: | - |
| h) | Date on which the special resolution was passed in general meeting as required under | - |
| Sr. No. | Particulars | Details |
| a) | Name(s) of the related party and nature of relationship | Vijay R Sanghavi |
| b) | Nature of contracts/arrangements/transactions | Interest on Unsecured Loan |
| c) | Duration of the contracts / arrangements/transactions | On Ongoing Basis |
| d) | Salient terms of the contracts or arrangements or transactions including the value, if any | Any contracts / arrangement / transactions entered into by the company in its ordinary course of business are made at arm's length basis |
| e) | Justification for entering into such contracts or arrangements or transactions | - |
| f) | date(s) of approval by the Board | 29.05.2023 |
| 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 | - |
| Sr. No. | Particulars | Details |
| a) | Name(s) of the related party and nature of relationship | VRS Loan |
| b) | Nature of contracts/arrangements/transactions | Unsecured loan |
| c) | Duration of the contracts / arrangements/transactions | On Ongoing Basis |
| d) | Salient terms of the contracts or arrangements or transactions including the value, if any | Any contracts / arrangement / transactions entered into by the company in its ordinary course of business are made at arm's length basis |
| e) | Justification for entering into such contracts or arrangements or transactions | - |
| f) | date(s) of approval by the Board | 29.05.2023 |
| 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 | - |

| Sr. No. | Particulars | Details |
|---------|---|--|
| a) | Name(s) of the related party and nature of relationship | Seema Vijay Sanghavi |
| b) | Nature of contracts/arrangements/transactions | Salary Paid |
| c) | Duration of the contracts / arrangements/transactions | On Ongoing Basis |
| d) | Salient terms of the contracts or arrangements or transactions including the value, if any | Any contracts / arrangement / transactions entered into by the company in its ordinary course of business are made at arm's length basis |
| e) | Justification for entering into such contracts or arrangements or transactions | - |
| f) | date(s) of approval by the Board | 29.05.2023 |
| 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 | - |
| Sr. No. | Particulars | Details |
| a) | Name(s) of the related party and nature of relationship | Briyanshi Vijay Sanghavi |
| b) | Nature of contracts/arrangements/transactions | Salary Paid |
| c) | Duration of the contracts / arrangements/transactions | On Ongoing Basis |
| d) | Salient terms of the contracts or arrangements or transactions including the value, if any | Any contracts / arrangement / transactions entered into by the company in its ordinary course of business are made at arm's length basis |
| e) | Justification for entering into such contracts or arrangements or transactions | - |
| f) | date(s) of approval by the Board | 29.05.2023 |
| 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 | - |

For and on behalf of the Board of Directors of
RATNAVEER PRECISION ENGINEERING LIMITED

DATE: 20.08.2024
PLACE: VADODARA

VIJAY RAMANLAL SANGHAVI
Chairman
(DIN: 00495922)



Annexure “B” to the Board’s Report

ADDITIONAL INFORMATION AS REQUIRED UNDER SUB-SECTION 3 (M) OF SECTION 134 OF THE ACT AND RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

(A) Conservation of energy:

1. Steps taken or impact on conservation of energy:-

Energy conservation dictates how efficiently a company can conduct its operations. The Company has recognized the importance of energy conservation in decreasing the deleterious effects of global warming and climate change. The Company is undertaking such production process that results into very minor pollutant emissions. Various energy efficient practices have been implemented that have reduced the pollutant emissions and strengthened the Company’s commitment towards becoming an environment friendly organization.

2. Steps taken by the Company for utilizing alternate sources of energy:-

The Company has already projected capex towards its own solar power projects with 4 MW capacity to utilise the energy generated through it as an alternate source of energy resource.

3. The Capital investment on energy conservation equipments:

Company has projected Capex of ₹ 8.65 Crs towards first phase of capex for rooftop solar plant & ₹ 8 Crs towards second phase of capex for ground solar plant.

(B) Technology absorption:

1. The efforts made towards technology absorption:-

Products and processes developed through in-house activities have been internally absorbed by the manufacturing units for commercialization.

2. The benefits derived like product improvement, cost reduction, product development or import substitution:-

The efforts made by design and automation activities helped for the augmentation of company’s product range in targeted market segments leading the customer acquisition / retention, increased the competitiveness and customer satisfaction and helped to give an edge over other competitors.

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):-Not Applicable

4. Expenditure incurred on Research and Development:-

The Company is inhouse manufacturing various dies & tools. Apart from this, the Company is adding various high value added products in existing product portfolio leading to increase in R&D activities

(C) Foreign exchange earnings and Outgo

| PARTICULARS | Amt (In ₹) |
|-------------------------|--------------|
| Foreign Exchange earned | 45,80,43,080 |
| Foreign Exchange outgo | 98,42,70,703 |

For and on behalf of the Board of Directors of
RATNAVEER PRECISION ENGINEERING LIMITED

VIJAY RAMANLAL SANGHAVI

Chairman

(DIN: 00495922)

DATE: 20.08.2024

PLACE: VADODARA

Annexure “C” to the Board’s Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company’s CSR policy:

We Ratnaveer Precision Engineering Limited believe that profit has no significance if the organization does not play its role, giving back the due to the society and environment. Ratnaveer Precision Engineering Limited has CSR commitments include, but are not limited to, education, healthcare, energy, climate change and betterment of the society through respect for universal human rights and the environment, acting with integrity and accountability and operating responsibly and sustainably.

2. The Composition of CSR Committee:

The CSR committee of the Board is responsible for overseeing the execution of the Company’s CSR Policy. The composition of the CSR Committee as on 31st March, 2024 is as follows:-

| Sl. 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 | Mr. Sreeram Vishwanathan Rishinaradamangalam | Chairman | 2 | 2 |
| 2 | Mr. Babulal Chaplot | Director | 2 | 2 |
| 3 | Mrs. Karuna Advani | Independent Director | 2 | 2 |

3. Web-link where composition of the CSR committee, the CSR Policy and the CSR Projects approved by the Board are disclosed on the website of the Company:-

Details about formation of CSR Committee, CSR Policy and CSR Projects are placed on the Company’s website www.ratnaveer.com

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable:-

Nor Applicable.

5. (a) Average Net Profit of the Company as per Section 135(5):-

| Financial Year | 2022-23 | 2021-22 | 2020-21 |
|---|--------------|--------------|-------------|
| Net Profit | 30,71,19,472 | 13,45,18,066 | 9,59,16,759 |
| Average Net Profit for last three Financial Years | 17,91,84,766 | | |

(b) Two percent of Average Net Profit of the Company as per Section 135(5):- ₹ 3583695

(c) Surplus arising out of the CSR Projects or Programmes or activities of the previous Financial Years:- ₹ 1,18,305

(d) Amount required to be set off for the Financial Year, if any:- NIL

(e) Total CSR obligation for the Financial Year [(b)+(c)-(d)]:- ₹ 37,02,000



6. (a) Amount spent on CSR Projects (Both Ongoing Project and other than Ongoing Project):-
(b) **Amount spent in administrative overheads:-** NA
(c) **Amount spent on impact assessment, if applicable:-** NA
(d) Total amount spent for the Financial Year [(a)+(b)+(c):- 37,02,000
(e) CSR amount spent or unspent for the Financial Year:- NA
(f) **Excess amount for set off, if any:-** ₹ 1,18,305
7. **Details of Unspent CSR amount for the preceding three financial years:-** NIL
8. Whether any Capital Assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year (asset wise details)
(a) **Date of creation or acquisition of Capital Asset(s)-** NA
(b) **Amount of CSR spent for creation or acquisition of capital asset-** NA
9. **Specify the reason(s), if the Company has failed to spend 2% of the average net profits as per section 135(5):-** NA

For and on behalf of the Board of Directors of
RATNAVEER PRECISION ENGINEERING LIMITED

Date: 20.08.2024
Place: Vadodara

Mr. Vijay Ramanlal Sanghavi
Chairman & Managing Director
DIN: 00495922

Mr. R V Sreeram
Chairperson - CSR Committee
DIN: 09537193

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance refers to regulations, laws, procedures and good corporate practices which ensures that the Company meets its obligations and fulfills its responsibilities towards shareholders, employees, governments and others. The Company is committed on adopting the best possible practices. Further the Board lays emphasis on transparency, accountability, and integrity in all its operations and dealings with outsiders.

2. BOARD OF DIRECTORS

A) Composition of the Board and attendance at last Annual General Meeting

As per requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), at least 50% of the Board Members should be non-executive Directors. There is optimum combination of Executive, Non - Executive and Independent Directors including Woman Director and the Company fulfills the criteria. The Chairman of the Company is Executive Promoter Director. The Composition of the Board is given hereunder:

| Name of Directors | No. of shares held as on 31 st March 2024. | Category | As on 31 st March, 2024 | | | |
|--|---|--|---|---|-------------|----------------------------------|
| | | | No. of Directorship in other Companies (Excluding this listed entity) | #Committee(s) Position in other Companies | | Attendance at AGM held last year |
| | | | | Member | Chairperson | |
| Mr. Vijay Sanghavi | 25968000 | Promoter-Executive Director | 0 | 0 | 0 | Yes |
| Mr. Babulal Chaplot | 0 | Executive Director | 0 | 0 | 0 | Yes |
| Mr. Sreeram Vishwanathan Rishinaradamangalam | 0 | Independent Director | 0 | 0 | 0 | Yes |
| Mr. Bharatkumar kanchanlal Shah (ceased w.e.f. 07.06.2024) | 0 | Independent Director | 0 | 0 | 0 | Yes |
| Dr. Binita Verdia | 8 | Non-Executive-Non Independent Director | 0 | 0 | 0 | Yes |
| Mrs. Ankita Soni (ceased w.e.f. 23.12.2023) | 0 | Independent Director | 0 | 0 | 0 | Yes |
| Mrs. Karuna Advani (appointed w.e.f. 12.12.2023) | 0 | Independent Director | 0 | 0 | 0 | NA |

Only Committee position of Audit Committee and Stakeholders' Relationship Committee have been considered.

B) Board Meetings

Fifteen (15) Board Meetings were held during the financial year ended 31st March, 2024.

| Date of Board Meeting | Total strength of the Board | No. of Directors Present |
|-----------------------|-----------------------------|--------------------------|
| 07.04.2023 | 6 | 6 |
| 18.05.2023 | 6 | 6 |
| 29.05.2023 | 6 | 6 |
| 16.06.2023 | 6 | 6 |
| 04.08.2023 | 6 | 6 |
| 22.08.2023 | 6 | 6 |
| 01.09.2023 | 6 | 6 |
| 06.09.2023 | 6 | 6 |



| Date of Board Meeting | Total strength of the Board | No. of Directors Present |
|-----------------------|-----------------------------|--------------------------|
| 07.09.2023 | 6 | 3 |
| 08.09.2023 | 6 | 3 |
| 25.09.2023 | 6 | 3 |
| 28.10.2023 | 6 | 4 |
| 12.12.2023 | 5 | 4 |
| 31.01.2024 | 6 | 6 |
| 05.03.2024 | 6 | 5 |

Attendance of each Director present at the Board Meetings:-

| Name of Directors | Attendance at Board Meetings held on | | | | | | | |
|--|--------------------------------------|------------|------------|------------|------------|------------|------------|------------|
| | 07.04.2023 | 18.05.2023 | 29.05.2023 | 16.06.2023 | 04.08.2023 | 22.08.2023 | 01.09.2023 | 06.09.2023 |
| Mr. Vijay R Sanghavi | Present | Present | Present | Present | Present | Present | Present | Present |
| Mr. Babulal Chaplot | Present | Present | Present | Present | Present | Present | Present | Present |
| Mr. R V Sreeram | Present | Present | Present | Present | Present | Present | Present | Present |
| Mr. Bharatkumar Kanchanalal Shah (ceased w.e.f. 07.06.2024) | Present | Present | Present | Present | Present | Present | Present | Present |
| Dr. Binita Verdia | Present | Present | Present | Present | Present | Present | Present | Present |
| Mrs. Ankita Soni (ceased w.e.f. 23.12.2023) | Present | Present | Present | Present | Present | Present | Present | Present |
| Mrs. Karuna Advani (appointed w.e.f. 12.12.2023) | NA | NA | NA | NA | NA | NA | NA | NA |

| Name of Directors | Attendance at Board Meetings held on | | | | | | | |
|--|--------------------------------------|------------------|------------------|------------------|------------------|------------|------------------|--|
| | 07.09.2023 | 08.09.2023 | 25.09.2023 | 28.10.2023 | 12.12.2023 | 31.01.2024 | 05.03.2024 | |
| Mr. Vijay R Sanghavi | Present | Present | Present | Present | Present | Present | Present | |
| Mr. Babulal Chaplot | Present | Present | Present | Present | Present | Present | Present | |
| Mr. R V Sreeram | Present | Present | Present | Present | Present | Present | Leave of Absence | |
| Mr. Bharatkumar Kanchanalal Shah | Leave of Absence | Leave of Absence | Leave of Absence | Present | Present | Present | Present | |
| Dr. Binita Verdia | Leave of Absence | Leave of Absence | Leave of Absence | Leave of Absence | Leave of Absence | Present | Present | |
| Mrs. Ankita Soni (ceased w.e.f. 23.12.2023) | Leave of Absence | Leave of Absence | Leave of Absence | Leave of Absence | Leave of Absence | Present | Present | |
| Mrs. Karuna Advani (appointed w.e.f. 12.12.2023) | NA | NA | NA | NA | NA | Present | Present | |

C) Directorship in other listed Companies

| Name of Directors | Name of other Listed Companies | Category of Directorship |
|---|--------------------------------|--------------------------|
| Mr. Vijay R Sanghavi | -- | -- |
| Mr. Babulal Chaplot | -- | -- |
| Mr. R V Sreeram | -- | -- |
| Mr. Bharatkumar Kanchanalal Shah (ceased w.e.f. 07.06.2024) | -- | -- |
| Dr. Binita Verdia | -- | -- |
| Mrs. Ankita Soni (ceased w.e.f. 23.12.2023) | -- | -- |
| Mrs. Karuna Advani (appointed w.e.f. 12.12.2023) | -- | -- |

D) Key Board qualifications, expertise and attributes

Following is the list of core skills/expertise/competence of the Directors of the Company:-

| Name of the Directors | Name of skills/expertise/competencies |
|--|--|
| Mr. Vijay R Sanghavi | Finance, Management, Strategy, Research and Development, Commercial, Technical, New Business Development, Marketing. |
| Mr. Babulal Chaplot | Finance, Marketing, Commercial, Operations, Research and Development, Quality Control |
| Mr. Bharat Shah (ceased w.e.f 07.06.2024) | Finance, IT, Operations, Marketing |
| Mr. R V Sreeram | Finance, Commercial, Purchase, Accounting & Audit |
| Ms. Ankita Soni (ceased w.e.f. 23.12.2023) | Finance, Marketing, Commercial, Operations, Research and Development, Quality Control |
| Dr. Binita Verdia | Management, Strategy, Technical, Operations |
| Mrs. Karuna Advani (appointed w.e.f. 12.12.2023) | Legal and Compliance, Finance, Management, Commercial |

E) Disclosure of relationship between Directors inter-se

Dr. Binita Verdia is the daughter of Mr. Babulal Sohanlal Chaplot. No other Director is relative of any other director(s).

F) Confirmation on the Independence of the Independent Director

The Board of Directors hereby confirm that in their opinion, the Independent Directors fulfil the conditions specified in the listing regulations and are independent of the management.

G) Detailed reason for the resignation of an Independent Director who resigned before the expiry of his/her tenure along with a confirmation that there are no material reasons other than those provided.

Mr. Bharatkumar Kanchanal Shah, Independent Director submitted his resignation vide letter dated 6th June, 2024, from the office of Independent Director with reasons due to preoccupation. He was appointed as Independent Director on the Board of the Company w.e.f. 16th April, 2022 for the period of five years.

Mr. Bharatkumar Kanchanal Shah in his letter also confirmed that there are no other reasons for his resignation other than those mentioned in the resignation letter and necessary disclosures have been made in this regard to the exchanges.

Mr. Ninad Raje, Independent Director submitted his resignation vide letter dated 15th July, 2024, from the office of Independent Director with reasons due to preoccupation. He was appointed as Independent Director on the Board of the Company w.e.f. 22nd May, 2024 for the period of five years. Mr. Ninad Raje in his letter also confirmed that there are no other reasons for his resignation other than those mentioned in the resignation letter and necessary disclosures have been made in this regard to the exchanges.

3. COMMITTEES OF THE BOARD

With a view to have more focused attention on business and for better governance and accountability, the Board has constituted various mandatory committees i.e. Audit Committee, Nomination and Remuneration committee, Corporate Social Responsibility and Stakeholder Relationship Committee. Minutes of proceedings of Committee Meetings are circulated to the Committee Members and placed before the Board Meetings for noting.

AUDIT COMMITTEE**A) Terms of Reference**

The Company has an Audit Committee at the Board Level, with the powers and roles in accordance with the prevailing regulatory requirements. The Audit Committee acts a link between the Board of Directors, Auditors and the Management. The terms of reference of the Audit Committee are comprehensive and covers the matters specified for Audit Committee under the SEBI Listing Regulations, 2015 and the Companies Act, 2013. The Committee provides the Board with additional assurance as to the adequacy of Company's internal control systems and financial disclosures. The committee has reviewed the internal audit reports, quarterly, half-yearly and annual standalone and consolidated financial results before their submission and adoption by the board, internal control systems, Related Party Transactions and all other matters covered under SEBI Listing Regulations, 2015 and provisions of the Companies Act, 2013 read with rules made thereunder as and when applicable. In conducting such reviews, the committee found no material discrepancy.

The terms of reference of the Committee are in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 and major terms of reference, inter alia, includes the following:



1. Oversight of financial reporting process and the disclosure of financial information relating to Ratnaveer Precision Engineering Limited (the "Company") to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, reappointment, replacement, remuneration and terms of appointment of Auditors of the Company and the fixation of the audit fee;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Formulation of a policy on related party transactions, which shall include materiality of related party transactions;
5. Reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
6. Examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
7. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
8. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board of directors of the Company (the "Board" or "Board of Directors") to take up steps in this matter;
9. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
10. Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
11. Scrutiny of inter-corporate loans and investments;
12. Valuation of undertakings or assets of the Company, wherever it is necessary;
13. Evaluation of internal financial controls and risk management systems;
14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors of any significant findings and follow up there on;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. 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;
19. Recommending to the Board of Directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

20. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. Reviewing the functioning of the whistle blower mechanism;
22. Monitoring the end use of funds raised through public offers and related matters;
23. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
24. Approval of appointment of chief financial officer i.e., the whole-time finance Director or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
25. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
26. Carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

B) Composition

The Audit Committee consists of three Directors out of which, two are Independent Directors. All members of the Audit Committee are financially literate and specialized in accounting and financial management. The constitution of Audit Committee meets the requirements prescribed under section 177 of the Act and listing Regulations.

| Name of the Committee Members | Category |
|-------------------------------|-----------------------------------|
| Mr. R V Sreeram | Chairman, Independent Director |
| Mr. Babulal Sohanlal Chaplot | Member, Executive Director |
| Mr. Ninad Raje* | Member, Independent Director |
| Mrs. Karuna Advani | Member, Independent Director |

*Mr. Ninad Raje became member of the Committee w.e.f. 22.05.2024.

Mr. Ninad Raje ceased to be the member of the Committee w.e.f. 15.07.2024

Mrs. Karuna Advani became member of the Committee w.e.f. 16.07.2024

Mr. Bharatkumar Kanchanlal Shah was the member of the Committee till 22.05.2024.

The Chairman of the Audit Committee was present at the last Annual General Meeting to answer the shareholder's queries.

Ms. Swati Sharda acts as the Secretary of the Committee w.e.f. 22.05.2024.

C) Meetings

During the year under review, the Audit Committee has met seven times. Attendance of each Committee member at the meeting were as follows:

| Name of Committee Members | Category | Attendance of Audit Committee Members held on | | | | | | |
|------------------------------|-----------------------------------|---|----------|----------|----------|----------|----------|----------|
| | | 29.05.23 | 16.06.23 | 04.08.23 | 25.09.23 | 28.10.23 | 31.01.24 | 05.03.24 |
| Mr. R V Sreeram | Chairman, Independent Director | Present | Present | Present | Present | Present | Present | Present |
| Mr. Babulal Sohanlal Chaplot | Member, Executive Director | NA | Present | Present | Present | Present | Present | Present |
| Mr. Vijay R Sanghavi | Director | Present | NA | NA | NA | NA | NA | NA |
| Mr. Bharat Shah | Member, Independent Director | Present | Present | Present | Present | Present | Present | Present |

The Statutory Auditors, Internal Auditors, Chief Financial Officer and other Senior Professionals were invited to the meetings of the Audit Committee.



NOMINATION AND REMUNERATION COMMITTEE

A) Terms of reference

The terms of reference of the Nomination and Remuneration Committee is to guide the Board in relation to the appointment and removal of Directors, KMP & Senior Management Personnel, and identifying persons and to recommend/review remuneration of all the Directors, Key Managerial Personnel and Senior Management Personnel.

The Nomination and Remuneration Committee shall act as per the terms of reference which inter alia, include:-

Terms of reference of the Committee, inter alia, includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees ("Remuneration Policy").

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

- (1A). For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the

purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
2. Formulation of criteria for evaluation of independent directors and the Board;
 3. Devising a policy on Board diversity;
 4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);
 5. Analyzing, monitoring and reviewing various human resource and compensation matters;
 6. Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
 7. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
 8. Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
 9. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
 10. Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
 11. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board

- of India (Share Based Employee Benefits) Regulations, 2014, if applicable;
12. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
13. Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

B) Composition

The composition of Nomination and Remuneration committee is in line with the provisions of

Regulation 19 of the SEBI Listing Regulations, 2015 and section 178 of The Companies Act, 2013.

The constitution of Nomination and Remuneration Committee is as under:-

| Name of the Director | Category |
|--|--|
| Mr. R V Sreeram | Chairman, Independent Director |
| Mr Ninad Raje* | Member, Independent Director |
| Mrs. Karuna Advani (appointed w.e.f. 12.12.2023) | Member, Independent Director |
| Dr. Binita Verdia | Member, Non- Executive Non- Independent Director |

*Mr. Ninad Raje became member of the Committee w.e.f. 22.05.2024.

Mr. Ninad Raje ceased to be the member of the Committee w.e.f. 15.07.2024

Dr. Binita Verdia became member of the Committee w.e.f. 16.07.2024

Mr. Bharatkumar Kanchanlal Shah was the member of the Committee till 22.05.2024.

Ms. Swati Sharda acts as the Secretary to the Committee w.e.f. 22.05.2024.

C) Meetings

During the year, Nomination and Remuneration Committee has met three times. Attendance of each Committee member at the meeting were as follows:

| Name of Committee Members | Category | Attendance at the Nomination and Remuneration Committee Meetings held on | | |
|--|----------------------|--|------------|------------------|
| | | 07.04.2023 | 12.12.2023 | 31.01.2024 |
| Mr. R V Sreeram | Independent Director | Present | Present | Present |
| Ms. Ankita Soni | Independent Director | Present | Present | NA |
| Mr. Bharat Shah | Independent Director | Present | Present | Leave of absence |
| Mrs. Karuna Advani (appointed w.e.f. 12.12.2023) | Independent Director | NA | NA | Present |

*Mr. Ninad Raje became member of the Committee w.e.f. 22.05.2024.

D) Remuneration Policy

The remuneration of Managing Directors is decided as per the applicable Schedule and Sections of the Act, as amended from time to time on recommendation of the Nomination and Remuneration Committee and approved by the Board of Directors subject to the approval of shareholders and other authority(ies), if required.

The remuneration of Senior Executives is also decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

The selection and appointment of the Whole Time Directors, other directors and Top Executives is done on the basis of their experience, qualifications and knowledge of the concerned field.

Performance evaluation criteria for Independent Directors

All the Independent Directors of the Company have efficiently played their roles and discharged their responsibilities for the benefit of the Company as a whole. Based on formal and informal appraisals, all the Independent Directors have played vital role in ensuring good corporate governance efficiency.



DETAILS OF REMUNERATION PAID / PAYABLE TO EXECUTIVE AND NON-EXECUTIVE DIRECTORS

Remuneration of Whole Time / Executive Directors Remuneration paid/accrued to the Executive Directors for the financial year ended March 31, 2024 is as follows:-

| Name of Directors | Salary | Perquisites | Commission | Incentives | Other | Total |
|----------------------|-----------|-------------|------------|------------|-----------|-------------|
| Mr. Vijay R Sanghavi | 54,00,000 | 0 | 0 | 0 | 69,18,244 | 1,23,18,244 |
| Mr. Babulal Chaplot | 8,41,848 | 0 | 0 | 0 | 0 | 8,41,848 |

Remuneration to Non-Executive Directors

Non-Executive Directors including Independent Directors are paid sitting fees only for attending the meetings of the Board of Directors and Committees thereof within the limits prescribed under the Act. No criteria of making payment to Non-Executive Directors is required to be fixed as they are paid only sitting fees. Details of remuneration paid to non-executive directors during the financial year 2023-24 are as follows:-

| Name of the Directors | Sitting Fees |
|---|--------------|
| Mr. R V Sreeram | 1,80,000 |
| Mr. Bharatkumar Kanchanalal Shah | 1,47,500 |
| Dr. Binita Verdia | 1,10,000 |
| Mrs. Ankita Soni (ceased w.e.f. 23.12.2023) | 90,000 |
| Mrs. Karuna Advani (appointed w.e.f.12.12.2023) | 27,500 |

The Company does not have any transaction with any of the above non-executive Directors except reimbursement of actual travelling expenses incurred for attending Board Meeting(s)/Committee Meeting(s) and/or Annual General Meeting during the year ended March, 31, 2024.

STAKEHOLDER RELATIONSHIP COMMITTEE

A) Terms of reference

Stakeholder Relationship Committee is constituted in line with the provisions of Regulation 20 of the Listing Regulations and Section 178 of the Act.

- I. Terms of reference of the Committee, inter alia, includes the following:
 - a. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer

/ transmission of shares and debentures non-receipt of annual report or non-receipt of balance sheet, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

- b. review of measures taken for effective exercise of voting rights by shareholders;
- c. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- d. Giving effect to all transfer / transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate / consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- e. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
- f. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company; and
- g. Carrying out such other functions as may be specified by the Board from time to time or specified / provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

B) Composition

The Stakeholder Relationship Committee consists of the following Directors:-

| Name of the Committee Members | Category |
|-------------------------------|--------------------------------------|
| Mr. R V Sreeram | Chairman, Independent Director |
| Mr. Babulal Chaplot | Member, Executive Director |
| Mr. Vijay R Sanghavi | Member, Executive- Managing Director |

The Committee looks into the grievances lodged by the shareholders. The Company has resolved all the complaints received from the shareholder during the year 2023-24.

Ms. Swati Sharda, Company Secretary is the Compliance Officer of the Company, w.e.f. 22.05.2024.

Ms. Prerana Trivedi, Company Secretary was the Compliance Officer of the Company till 04.04.2024.

The Company has appointed M/s. Link Intime India Pvt. Ltd, C-101, 247 Park, 1st Floor L.B.S. Marg, Vikhroli West, Mumbai, Maharashtra, 400083 as Registrar and Share Transfer Agent (RTA).

C) Meetings

The meeting of the Stakeholder Relationship Committee was held on 05.03.2024.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**A) Composition**

The Committee's composition and terms of reference are in compliance with the provisions of the Companies Act, 2013.

| Name of the Director | Category |
|--|--------------------------------|
| Mr. R V Sreeram | Chairman, Independent Director |
| Mr. Babulal Chaplot | Member, Executive Director |
| Mrs. Karuna Advani (appointed w.e.f. 12.12.2023) | Member, Independent Director |

B) Meetings

| Name of the Committee Members | Category | Attendance at CSR Committee held on | |
|--|--------------------------------|-------------------------------------|------------|
| | | 29.05.2023 | 05.03.2024 |
| Mr. R V Sreeram | Chairman, Independent Director | Present | Present |
| Mr. Babulal Chaplot | Member, Executive Director | Present | Present |
| Ms. Ankita Soni (ceased w.e.f. 23.12.2023) | Member, Independent Director | Present | NA |
| Mrs. Karuna Advani (appointed w.e.f. 12.12.2023) | Member, Independent Director | NA | Present |

4. GENERAL BODY MEETINGS

The details of the last three Annual and/or Extraordinary General Meeting are as follows:-

| Financial Year | Meeting and Venue | Day, Date and Time | Special Resolutions Passed. |
|----------------|--|--|---|
| 2020-21 | 19 th Annual General Meeting at the registered office at E-77 GIDC, Savli (Manjusar) Dist-Vadodara-391775 | Tuesday, 30 th November, 2021 at 11:00 am. | NIL |
| 2021-22 | 20 th Annual General Meeting at the registered office at E-77 GIDC, Savli (Manjusar) Dist-Vadodara-391775 | Thursday, 29 th September, 2022 at 03:00 p.m. | To consider payment of remuneration to Shri Babulal Chaplot, wholetime Director of the Company. |
| 2022-23 | 21 st Annual General Meeting at the registered office at E-77 GIDC, Savli (Manjusar) Dist-Vadodara-391775 | Monday, 10 th July, 2023 at 02:00 p.m. | Amendment of Articles of Association of the Company. |



POSTAL BALLOT

During the financial year 2023-24, Postal Ballot activity was conducted for the below business items:

- Appointment of Mrs. Karuna Advani (Din: 02235834) as an independent director of the company.
- Re-appointment of Mr. Babulal Chaplot (Din: 03539750) as whole-time director (WTD) of the Company and to fix Remuneration payable to him.
- To create Mortgage, Charge and hypothecation on Movable and /or Immovable Properties

of the Company both present and future in respect of borrowings.

- To Increase Borrowing Limits from ₹ 300 Crores to ₹ 500 Crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.
- To increase the overall limit of maximum remuneration payable to Mr. Vijay Sanghavi as the Managing Director.

Date of Notice: 31st January, 2024

Postal Ballot Period: 02.02.2024 to 02.03.2024

Declaration of voting results: 4th March, 2024

Summary of voting results:-

| Res No. | Resolutions proposed before the Members through Postal Ballot | Total Number of Votes Casted | | | Result | |
|---------|---|------------------------------|---------|---------|--------------------|------------|
| | | In Favour | Against | Invalid | Type of resolution | Passed Y/N |
| 1 | To Increase Borrowing Limits from ₹ 300 Crores to ₹ 500 Crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher. | 29846012 | 81 | -- | Special | Yes |
| 2 | To create Mortgage, Charge and hypothecation on Movable and /or Immovable Properties of the Company both present and future in respect of borrowings. | 298453862 | 231 | -- | Special | Yes |
| 3 | Re-appointment of Mr. Babulal Chaplot (Din: 03539750) as whole-time director (WTD) of the Company and to fix Remuneration payable to him. | 29845906 | 187 | -- | Special | Yes |
| 4 | Appointment of Mrs. Karuna advani (Din: 02235834) as an independent director of the company. | 29846093 | 0 | -- | Special | Yes |
| 5 | To increase the overall limit of maximum remuneration payable to Mr. Vijay Sanghavi as the Managing Director. | 29845363 | 730 | -- | Special | Yes |

Mr. Niraj Trivedi of M/s. TNT & Associates. Company Secretaries was appointed as Scrutinizers for conducting postal ballot process in a fair and transparent manner.

The Company has followed the procedure prescribed for the conduct of Postal Ballot under the provisions of the Companies Act, 2013, rules made thereunder alongwith the Ministry of Corporate Affairs circulars read with the SEBI Listing Regulations, 2015.

5. INDEPENDENT DIRECTOR'S MEETING

During the year under review, all the Independent Directors of the Company met two times i.e. on 28.08.2023 to discuss and evaluate:-

- Review of performance of the chairman, non-independent directors and the board as a whole.
- Assessing the quality, quantity and timeliness of flow of information between the company management and the board that is necessary for the board to effectively and reasonably perform their duties.

And on 05.03.2024 to Consider and recommend to the Board Price Band Advertisement for IPO.

The details of familiarization programme imparted to Independent Directors is available on Company's website at www.ratnaveer.com

6. RELATED PARTY TRANSACTIONS

The policy on related party transactions is available on Company's website at <https://ratnaveer.com/policy/PolicyonDealingwithRelatedpartyTransactions.pdf>

7. DISCLOSURES

A) Disclosure on Materially Significant Related Party Transactions that may have potential conflict with the interests of the company at large:

There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company at large.

B) Details of non-compliances by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets during the last three years:

"No penalties was imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets during the last three years".

C) Whistle Blower Policy / Vigil Mechanism:

A Vigil Mechanism provides adequate safeguards against victimization of persons who use such mechanism for reporting genuine concerns. It also makes provision for direct access to the Chairman of the Audit Committee.

Web link for Whistle Blower Policy / Vigil Mechanism is <https://ratnaveer.com/policy/VigilMechanismWhistleBlowerPolicy.pdf> As per the Policy, no person has been denied access to the Chairman of Audit Committee.

D) Policy for determining material subsidiaries:

The Company does not have any subsidiary Company. Therefore, requirement of devising such policy does not apply to the Company.

E) Certificates from Company Secretary in practice:

The following certificates as issued M/s. TNT & Associates, a firm of Practicing Company Secretaries, Vadodara are enclosed to this report:

- Compliance Certificate regarding compliance of conditions of Corporate Governance; and
- Certificate 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 SEBI / Ministry of Corporate Affairs or any such statutory authority.

F) Details of utilization of funds raised through preferential allotment/qualified institutions placement as specified under Reg. 32(7A) of the Listing Regulations:

Out of net proceeds of ₹ 115.02 crore, ₹ 82.42 crores has been spent till Q4 of the FY24 and the balance amount ₹ 32.6 crores is kept in the Escrow account and in Bank FD.

G) Fees paid to Statutory Auditors:

The Company has, during the year, paid an amount of ₹ 4,95,000/- (Rupees 4,95,000 only) excluding GST to its Statutory Auditors M/s. Pankaj R. Shah & Associates., Chartered Accountants as approved by the shareholders.

H) Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

| | |
|--|-----|
| Number of complaints filed during the Financial Year 2023-24 | NIL |
| Number of complaints disposed off during the Financial Year 2023-24 | NIL |
| Number of complaints pending as at the end of the Financial Year 2023-24 | NIL |

I) Disclosure of compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Regulations:

| Regulation No. | Particulars | Compliance Status (Yes/No) |
|----------------|---------------------------------------|----------------------------|
| 17 | Board of Directors | Yes |
| 17A | Maximum number of Directorship | Yes |
| 18 | Audit Committee | Yes |
| 19 | Nomination and Remuneration Committee | Yes |
| 20 | Stakeholder Relationship Committee | Yes |
| 21 | Risk Management Committee | NA |
| 22 | Vigil Mechanism | Yes |
| 23 | Related Party Transactions | Yes |



| Regulation No. | Particulars | Compliance Status (Yes/No) |
|------------------|--|----------------------------|
| 24 | Corporate Governance requirements with respect to subsidiary of the Company | NA |
| 24A | Secretarial Audit and Secretarial Compliance Report | Yes |
| 25 | Obligations with respect to Independent Directors | Yes |
| 26 | Obligations with respect to employees including senior management, key managerial persons, directors and Promoters | Yes |
| 27 | Other Corporate Governance Requirements | Yes |
| 46(2) (b) to (i) | Website | Yes |

J) Compliance with Listing Regulations

The Company has adopted and complied with mandatory requirements of the Listing Regulations. Some of the following non-mandatory requirements have also been complied with.

K) Non Mandatory Requirements

(i) Reporting of internal Auditor

Internal Auditor of the Company submits their report to the Audit Committee directly.

(ii) Audit Qualification/Modified Opinion(s)

There are no Audit qualifications/Modified Opinion(s) in the Audit Reports by the Auditor.

(iii) Shareholder's Rights

Since the financial results are published in the newspapers and also posted on the Company's website, those are not being sent to the shareholders.

L) Instances of not accepting any recommendation of the Committee by the Board

There were no such instances where Board had not accepted any recommendation of any committee of the Board, whether mandatorily required or not, in the relevant financial year.

M) Details of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

NIL

N) Means of Communication

| Financial Results | The financial results viz., quarterly/half yearly/annual are sent to the stock exchange and published in newspapers having nation-wide coverage. |
|---|--|
| Newspapers wherein results are normally published | The financial results are published in : Financial Express (English) Financial Express (Gujarati) |
| Website | The Company has a functional website www.ratnaveer.com where shareholder information is available in "Investor Relation" section. The full Annual Report is available on the website in a user friendly and downloadable format. Apart from this, financial results, shareholding pattern, corporate governance report and all the periodical announcements are displayed on the website of the Company. |
| NSE NEAPS and Digital Exchange Portal | RPEL is listed on NSE we.f. 11 th September, 2024. NSE's NEAPS and digital exchange portal is a web-based application designed for corporates. All periodical filings like shareholding pattern, corporate governance report, statement of investor complaints, among others are filed electronically on the NEAPS and Digital Exchange Portal, which disseminates it to the public at large. |
| BSE Corporate Compliance & Listing Centre | RPEL is listed on BSE we.f. 11 th September, 2024. BSE's Listing Centre is a web-based application designed for corporates. All periodical filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, amongst others filing are filed electronically on the Listing Centre, which disseminates it to the public at large. |

O) General Shareholder Information

22nd Annual General Meeting will be held at 04:00 pm on Monday 23rd day of September, 2024, through Video Conference.

1. Financial Year: 1st April, 2023 to 31st March, 2024.
2. **Listing of Shares:** The Company's shares are listed on the following Stock Exchanges. Company confirms that the annual fees to BSE and NSE for the financial year 2024-25 has been paid.

| Regulation No. | Particulars | Compliance Status (Yes/No) |
|----------------|---|----------------------------|
| | NSE Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051 | INE05CZ01011 |
| | BSE Limited Floor 25, P. J. Towers, Dalal Street, Mumbai - 400001 | INE05CZ01011 |

3. Stock Market Data for financial year 2023-24 (NSE):

| Month | Month's Highest Price (₹) | Month's Lowest Price (₹) |
|-----------------|---------------------------|--------------------------|
| September, 2023 | 129.35 | 111.00 |
| October, 2023 | 138.00 | 109.80 |
| November, 2023 | 128.90 | 115.00 |
| December, 2023 | 122.70 | 111.55 |
| January, 2024 | 129.10 | 111.85 |
| February, 2024 | 154.00 | 124.55 |
| March, 2024 | 139.50 | 109.55 |

Stock Market Data for financial year 2023-24 (BSE):

| Month | Month's Highest Price (₹) | Month's Lowest Price (₹) |
|----------------|---------------------------|--------------------------|
| September 2023 | 134.40 | 111.01 |
| October 2023 | 138.00 | 109.65 |
| November 2023 | 128.85 | 115.00 |
| December 2023 | 122.60 | 111.70 |
| January 2024 | 129.00 | 112.00 |
| February 2024 | 153.85 | 125.10 |
| March 2024 | 138.35 | 110.00 |

4. Performance in comparison to broad-based indices such as NSE Sensex, BSE Sensex, CRISIL Index etc.

| Particulars | 31.03.2024 ** | 31.03.2023* | Change (%) |
|--------------------------|---------------|-------------|------------|
| Share Price of Ratnaveer | 115.35 | 123.20 | (6.37) |
| NSE Sensex | 22326.9 | 19890 | 12.25 |
| BSE Sensex | 73651.35 | 66807.73 | 10.24 |

*The equity shares of the company got listed on 11th September 2023.

**28.03.2024 was the last trading day for the month of March 2024 therefore share price is the closing price as on 28th March 2024

5. Commodity price risk or foreign exchange risk and hedging activities

To mitigate foreign exchange risk, Company is following fixed priced orders against sales & back to back orders policy, i.e. once sales order is received & booked, respective raw material purchase is also being booked against the said order on immediate basis against the said sales order which broadly mitigates the commodity price risk.

6. Demat Suspense account/ Unclaimed Suspense Account

No unclaimed share certificates are with the Company.

7. Registrar and Share Transfer Agent

M/s. Link Intime India Pvt. Ltd.
C-101, 247 Park, 1st Floor L.B.S. Marg,
Vikhroli West,



Mumbai, Maharashtra-400 083
Tel Nos.- 022-49186000 Fax- 22 49186060
Email- rnt.helpdesk@linkintime.co.in

8. Share Transfer System

Effective from April 1, 2019, as per SEBI notification no. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 as amended from time to time, no shares can now be transferred in physical form except transmission of shares to the legal successors. Since the shares of the shareholders of the Company are in 100% demat form, question of transfer of shares in physical form does not arise.

9. Distribution of shareholding as at 31.03.2024

| No. of Equity Shares held | No. of Shareholders | No. of Shares Held | % of Issued Capital |
|---------------------------|---------------------|--------------------|---------------------|
| 1-500 | 40337 | 4695088 | 9.68 |
| 501-1000 | 2490 | 2037443 | 4.20 |
| 1001 - 2000 | 1249 | 1918096 | 3.95 |
| 2001 - 3000 | 588 | 1224548 | 2.52 |
| 3001 - 4000 | 175 | 627152 | 1.29 |
| 4001 - 5000 | 155 | 729874 | 1.50 |
| 5001 - 10000 | 209 | 1543258 | 3.18 |
| More than 10000 | 166 | 35723581 | 73.66 |

10. Dematerialization of shares

100% of the Company's paid up equity share capital is under demat form as on 31.03.2024.

11. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity: Not Applicable

12. Plant Location

Unit 1 - E-77, GIDC Savli (Manjusar), Dist-Vadodara, Gujarat-391775

Tel:+91 8487878075

Unit 2 - 120, Savli, GIDC, (Manjusar), Dist: Vadodara-391776, Gujarat

Unit 3 - 548 & 549, GIDC Estate, Waghodia, Dist: Vadodara-391760, Gujarat

Unit 4 - Plot No.1901, Phase-IV, GIDC, Opp. New Nirma, Vatva Ahmedabad-382440, Gujarat

13. Address of Correspondence

Ms. Swati Sharda

Company Secretary and Compliance Officer

Ratnaveer Precision Engineering Limited

Corporate Office:- 703/704,"Ocean",Sarabhai Compound,

Near Center Square Mall, Dr. Vikram Sarabhai Road,

Vadodara, Gujarat- 390023

Tel: 8487878075

Email:-cs@ratnaveer.com

14. Details of credit rating assigned

Your Company has been assigned the following ratings by CARE Ratings Limited.

| Name of the Credit Rating Agency | Facilities | Rating | Rating Action |
|----------------------------------|----------------------------|--|---------------|
| CARE ratings limited | Long Term Bank Facilities | IVR BBB+/ Stable Outlook [IVR Triple B plus with Stable Outlook] | Revised |
| CARE Ratings Limited | Short Term Bank Facilities | IVR A2 [IVR A Two] | Revised |

By the Order of Board of Directors of
Ratnaveer Precision Engineering Limited

VIJAY RAMANLAL SANGHAVI

Chairman & Managing Director

DIN: 00495922

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS ALONGWITH DETAILED EXPLANATIONS THEREOF

The following key financial ratios has witnessed a significant change i.e. a change of 25% or more as compared to the financial year 2022-23 and 2023-24 :-

| Sr. No | Key Financial Ratios | FY 2023-24 | FY 2022-23 | Change in % as compared to previous year | Reason |
|--------|--------------------------|------------|------------|--|---|
| 1 | Current Ratio | 1.75 | 1.34 | 0.31 | Due to improvement in Current assets compare to last year |
| 2 | Net Profit Margin (%) | 5.21 | 5.22 | -0.00 | Improvement in margin followed by optimum utilization of resources and increase in capacity utilization |
| 3 | Return on net worth (%) | 12.31 | 23.61 | 47.86 | - |
| 4 | Debtors Turnover Ratio | 11.01 | 9.26 | 0.19 | Due to efficiency in receivable management |
| 5 | Inventory Turnover Ratio | 2.27 | 2.08 | 0.09 | Due to increase in average inventory |
| 6 | Interest Coverage | 4.71 | 3.83 | 0.23 | - |
| 7 | Operating Profit Margin | 9.57 | 9.80 | 0.02 | - |
| 8 | Debt Equity Ratio | 0.85 | 2.75 | -0.69 | due to Equity Capital increase |

FINANCIAL PERFORMANCE OF CURRENT AND PREVIOUS TWO YEARS BASED ON DIFFERENT INDICATORS

(₹ In lacs)

| Year | 2021-22 | 2022-23 | 2023-24 |
|------------------------------------|----------------|----------------|----------------|
| Capital | 4,26,22,000 | 34,89,40,400 | 48,69,40,400 |
| Free Reserves | 61,71,25,008 | 71,15,97,631 | 2,03,42,39,591 |
| Effective Capital | 65,97,47,008 | 1,06,05,38,031 | 2,52,11,79,991 |
| Exports | 83,70,51,501 | 92,19,09,871 | 44,94,20,325 |
| Total Sales & Other Income | 4,28,47,23,656 | 4,81,14,52,344 | 6,02,39,86,842 |
| Profit Before Depreciation and Tax | 9,51,49,215 | 26,69,46,689 | 33,26,66,819 |
| Dividend per share (₹) | 0 | 0 | 0 |

CAUTIONARY STATEMENT

Any changes in applicable laws, regulations and Government policies and the present epidemic leading to reduction / stoppage of production are beyond the control and anticipations of the management and may adversely affect the profitability of the Company.

By the Order of Board of Directors of
Ratnaveer Precision Engineering Limited

VIJAY RAMANLAL SANGHAVI
Chairman & Managing Director
DIN: 00495922

Place: Vadodara
Date: 20.08.2024



Compliance with Code of Business Conduct and Ethics

Pursuant to Part-D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, I, hereby, confirm that the Company has received affirmations on compliance with the Company's Code of Business Conduct and Ethics for the Financial Year ended 31st March 2024 from all the Board members and Senior Management Personnel.

PLACE: Vadodara
DATE: 22.05.2024

VIJAY RAMANLAL SANGHAVI
Managing Director and Chief Financial Officer
DIN: 00495922

CEO / CFO CERTIFICATION

We, the undersigned, in our respective capacities as Managing Director cum Chief Financial Officer of Ratnaveer Precision Engineering Limited ("the Company"), to the best of our knowledge and belief, certify that:

- a. We have reviewed the Financial Statements and Cash Flow Statements for the financial year ended 31st March 2024 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations;
- b. We further state that to the best of our knowledge and belief, no transactions, which are entered into by the Company during the year, are fraudulent, illegal or violative of the Company's Code of Business Conduct and Ethics;
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any,

of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.

- d. We have indicated to the Auditors and the Audit Committee that there are:
 - i. no significant changes in internal controls over financial reporting during the year;
 - ii. no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

PLACE: Vadodara
DATE: 22.05.2024

VIJAY RAMANLAL SANGHAVI
Managing Director and
Chief Financial Officer
DIN: 00495922

Annexure "D" to the Board's Report

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31 MARCH 2024

[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,
Ratnaveer Precision Engineering Limited
CIN: - L27108GJ2002PLC040488
E- 77, G I D C, Savli (Manjusar)
Dist-Baroda, Gujarat, India, 391775.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ratnaveer Precision Engineering Limited** (CIN: L27108GJ2002PLC040488) (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 our 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 authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the **Financial Year ended on 31 March 2024** 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 31 March 2024 according to the provisions of;

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): (including any statutory

modification(s) or re-enactment(s) thereof, for the time being in force):

- I. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- II. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- III. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- IV. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - **Not applicable to the Company during the period under review;**
- V. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;- **Not applicable to the Company during the period under review;**
- VI. 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;
- VII. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - **Not applicable to the Company during the period under review and**
- VIII. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;- **Not applicable to the Company during the period under review.**
- (vi) Other applicable laws: Based on the information provided and the representation made by the Company and its officers and also on the review of the compliance reports taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes exist in the Company to



monitor and ensure compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

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) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors (including Woman Independent Director). The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except some meetings were held at shorter notice 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions at the Board Meetings were taken unanimously.

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, etc.

We further report that during the audit period there were no event occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. During the Audit period under review, the Company has come out with an Initial Public Offer ("IPO") cum Offer For Sale ("OFS") and the shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange ("NSE") on 11th September 2023.
2. The Company has taken approval from members by way of special resolution for borrowing of Money, apart from temporary loans obtained from the company's bankers in the ordinary course of business, in excess of the paid up share capital and Free Reserves of the Company subject to maximum of ₹ 500 Crores at any point of time and to create mortgages, Charges and hypothecation on the properties of the Company up to limit Borrowing of ₹ 500 Crores.

FOR, TNT & ASSOCIATES
PRACTICING COMPANY SECRETARIES
 P.R. NO.: 3209/2023

PLACE:- VADODARA
 DATE:-20TH AUGUST,2024

| | |
|-------------|--------------------------|
| NAME OF PCS | : ASHISH TRIPATHI |
| | PARTNER |
| ACS NO. | : 23396 |
| C.P. NO. | : 10443 |
| UDIN NO. | : A023396F001006092 |

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 Secretarial Audit Report

To,
The Members,
Ratnaveer Precision Engineering Limited
CIN: - L27108GJ2002PLC040488
E- 77, G I D C, Savli (Manjusar)
Dist, Baroda, Gujarat, India-391775.

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 these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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, TNT & ASSOCIATES
PRACTICING COMPANY SECRETARIES
P.R. NO.: 3209/2023

PLACE:- VADODARA
DATE:-20TH AUGUST,2024

| | |
|-------------|--------------------------|
| NAME OF PCS | : ASHISH TRIPATHI |
| | PARTNER |
| ACS NO. | : 23396 |
| C.P. NO. | : 10443 |
| UDIN NO. | : A023396F001006092 |



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to the Regulation 34 (3) and Schedule V Para C Clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
RATNAVEER PRECISION ENGINEERING LIMITED
(CIN: L27108GJ2002PLC040488)
E- 77, G I D C, Savli (Manjusar)
Dist- Baroda, Gujarat, India-391775

Dear Sir / Madam,

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Ratnaveer Precision Engineering Limited**, CIN: L27108GJ2002PLC040488, having Registered Office situated at E- 77, G I D C, Savli (Manjusar), Dist Baroda, Gujarat, India-391775 (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C Clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (Including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID - 19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024, have been debarred or disqualified from being appointed or continuing as the Directors of the Companies, by the Securities and Exchange Board of India ("SEBI"), Ministry of Corporate Affairs ("MCA") or any such other Statutory Authority:-

| Sr. No | Name of the Directors | DIN | Date of Appointment in the Company * |
|--------|--|----------|--------------------------------------|
| 1 | Vijay Ramanlal Sanghavi | 00495922 | 20/02/2002 |
| 2 | Babulal Sohanlal Chaplot | 03539750 | 01/07/2019 |
| 3 | Sreeram Vishwanathan Rishinaradamangalam | 09537193 | 16/04/2022 |
| 4 | Binita Verdia | 09724262 | 07/09/2022 |
| 5 | Karuna Vinod Advani | 02235834 | 12/12/2023 |
| 6 | Bharatkumar Kanchanal Shah | 00587810 | 16/04/2022 |

*The date of appointment is as per the MCA Portal.

The Directors who have resigned/retired during the Financial Year under reference are not part of the above table.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR, TNT & ASSOCIATES
PRACTICING COMPANY SECRETARIES
P. R. NO.:- 3209/2023

DATE:- 20TH AUGUST,2024
PLACE:- VADODARA

ASHISH TRIPATHI
PARTNER
ACS NO.:- 23396
CP NO.:- 10443
UDIN:- A023396F001006281

CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34 (3) and Schedule V Para E of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Ratnaveer Precision Engineering Limited
(CIN: L27108GJ2002PLC040488)
E- 77, G I D C, Savli (Manjusar)
Dist, Baroda, Gujarat, India, 391775

Dear Sir / Madam,

We have examined the compliance of the conditions of Corporate Governance by **Ratnaveer Precision Engineering Limited**, CIN: L27108GJ2002PLC040488, having Registered Office situated at E- 77, G I D C, Savli (Manjusar) Dist-Baroda, Gujarat, India, 391775 (hereinafter referred to as "**The Company**"), for the Financial Year ended on **31 March 2024**, as stipulated in Regulation 17 to 27 and clause (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (collectively referred to as "**SEBI Listing Regulations, 2015**").

The compliance of the conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the review procedures and implementation thereof, as adopted by the Company for ensuring the compliance with conditions of Corporate Governance.

It is neither an audit nor an expression of an 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 representation made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, 2015 for the year ended on 31 March 2024.

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

FOR, TNT & ASSOCIATES
PRACTICING COMPANY SECRETARIES
P. R. NO.:- 3209/2023

DATE:- 20TH AUGUST,2024
PLACE:- VADODARA

ASHISH TRIPATHI
PARTNER
ACS NO.:- 23396
CP NO.:- 10443
UDIN:- A023396F001006202



Independent Auditor's Report

To
The Members of
Ratnaveer Precision Engineering Limited

Report on the Audit of the Standalone IND AS Financial Statements

Opinion

We have audited the accompanying standalone INDAS financial statements of **Ratnaveer Precision Engineering Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, 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 ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (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, 2024 and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SA's) 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 IND AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone IND AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone INDAS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate

accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone INDAS 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 INDAS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 financial 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 the 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 IND AS financial statements, including the disclosures, and whether the standalone IND AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS 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 works; and (ii) to evaluate the effect of any identified misstatements in the standalone Ind AS 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 Ind



AS Financial Statements of the current period 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 circumstance, we determine that a matter should not be communicate 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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The standalone Balance Sheet, the standalone Statement of Profit and Loss including Other Comprehensive Income, standalone Statement of Changes in Equity and the standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the IND AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A) (b) above on reporting under Section 143(3) (b) of the Act and Paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(6) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

 - i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in the standalone Ind AS Financial Statements (Refer Note No 35 to the Standalone Ind AS Financial Statements.)
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were 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 the 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 or entity, including foreign entity ("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 the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared and paid any Interim dividend nor has proposed any final dividend during the previous year and hence the question of Compliance and applicability of Section 123 of the Companies Act does not arise.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility. We hereby confirm that the audit trail (edit log) is enabled as on the reporting date, but we are not able to express an opinion on whether the edit log facility has been operated throughout the year or not. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For, **M/s Pankaj R. Shah & Associates**
Chartered Accountants
(Registration No. 107361W)

CA Nilesh Shah
Partner

Place: Ahmedabad
Date: 22-05-2024

Membership No. 107414
UDIN: 24107414BJZXCA6186



Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Ratnaveer Precision Engineering Limited** of even date)

With reference to the Annexure A, referred to in the Independent Auditors Report to the members of the Company on the Standalone IND AS financial statements for the year ended on 31st March 2024, we report following:

1. In respect of its 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.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us, the property, plant and equipment are physically verified in a phased manner by the management during the year, which, in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

2. In respect of its Inventories:

- (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion the frequency of verification is reasonable and the coverage and procedure of such verification by the management is appropriate. As explained to us, there were no discrepancies of 10% or more in aggregate for each class on physical verification of inventory as compared to the book records.

- (b) The Company has been sanctioned working capital limits (including fund based and non-fund-based limits) in excess of ₹ 5 crores in aggregate from banks on the basis of security of the current assets. Quarterly returns or statements filed by the company with such banks are in agreement with the books of accounts of the company.

3. According to the information and explanations given to us, during the year, the company has not made any investment in, provided guarantee or any security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firm, limited liability partnership or any other parties:

- (a) The Company does not have any Subsidiary, Associate or joint venture. Hence, reporting under clause 3(iii)(a) is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the company has not granted any loans or advances in the nature of loans. Hence, reporting under para 3(iii)(c) to 3(iii)(f) is not applicable.

4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of guarantees and securities provided by it.

5. The Company has not accepted any deemed deposits from the public during the year under review. Accordingly, clause 3(v) of the Order is not applicable.

6. We have broadly reviewed the books of accounts maintained by the company in respect of products where pursuant to the rules made by the Central Government of India, the maintenance of Cost records has been prescribed under sub section (1) of section 148 of Companies Act, 2013, we are of the opinion that prima facie, the prescribed accounts & records have been maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

7. In respect of Statutory Dues:

- (a) The company does not have liability in respect of Service Tax, Duty of excise, Sales tax and value added tax during the year since effective 1st July 2017, these statutory dues has been subsumed in to Goods & Service Tax.

According to the information and explanations given to us and on the basis of our examination

of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, ESIC, income-tax, duty of customs, Goods & Service Tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, ESIC, income tax, duty of customs, Goods & Service Tax, cess and other material statutory dues were in arrears as at 31st March 2024 for a period of more than six months from the date it became payable.

- (b) According to the information and explanations given to us, there are no material dues of Income tax & Goods and service tax, which have not been deposited with the appropriate authorities on account of any disputed with the appropriate authorities on account of dispute, other than those as mentioned under:

| Statue | Nature of the Dues | Financial Year to which the matter relates | Forum where the matter is pending | Amount (in Rs in lakhs) (Net of payment) |
|------------------------------|--------------------|--|-----------------------------------|--|
| GUJARAT SALES TAX ACT | | | | |
| a) | Sales Tax | 2003-04 | | 0.43 |
| b) | Sales Tax | 2008-09 | | 0.84 |
| c) | Sales Tax | 2008-09 | | 0.50 |
| d) | Sales tax | 2012-13 | | 21.75 |
| e) | Sales tax | 2013-14 | Gujarat VAT - Tribunal | 11.93 |
| f) | Sales tax | 2013-14 | | 7.85 |
| g) | Sales tax | 2014-15 | | 22.85 |
| h) | Sales tax | 2014-15 | | 9.56 |
| i) | Sales tax | 2015-16 | | 42.84 |
| j) | Sales tax | 2015-16 | Gujarat VAT - Tribunal | 4.36 |
| k) | Sales tax | 2016-17 | | 13.21 |
| l) | Sales tax | 2016-17 | Gujarat VAT - Tribunal | 7.93 |
| m) | Sales tax | 2017-18 | | 3.26 |
| n) | Sales tax | 2017-18 | | 1.22 |
| INCOME TAX ACT, 1961 | | | | |
| a) | Income Tax | 2008-09 | | 0.99 |
| b) | Income Tax | 2010-11 | CIT A, Ahmedabad -12 | 5.55 |
| c) | Income Tax | 2012-13 | CIT A, Ahmedabad -12 | 376.83 |
| d) | Income Tax | 2018-19 | CIT A, Ahmedabad -12 | 616.86 |
| e) | Income Tax | 2019-20 | CIT A, Ahmedabad -12 | 30.62 |
| CESTAT | | | | |
| a) | Customs | 2019-20 | Tribunal | 153.55 |
| b) | Customs | 2019-20 | Tribunal | 16.93 |

8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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).
9. (a) According to information & explanations given to us, the company has not defaulted in repayment of loans or borrowings or in the payment of interest to Banks & Financial Institutions.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans obtained during the year by the company have been applied for the purposes for which they were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on overall examination of the records of the company, The Company does not have any Subsidiary, associate or joint venture. Hence, reporting under clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and on overall examination of the records of the company, The Company does not have any Subsidiary, associate or joint venture. Hence, reporting under clause 3(ix)(f) is not applicable.



- 10.** (a) In our opinion and according to the information and explanations given to us, Company has utilized the moneys raised by way of initial public offer/further public offer (including debt instruments) for the purposes for which they were raised, except for the following cases:

| Nature of fund raised | Purpose for which funds were raised | Total amount raised/opening utilized/balance | Amount utilized for other purpose | Unutilized balance as at balance sheet date | Details of default (reason/delay) | Subsequently rectified |
|-----------------------|-------------------------------------|--|-----------------------------------|---|-----------------------------------|------------------------|
| Nil | | | | | | |

- b) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 11.** (a) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented by the management, there are no whistle blower complaints received by the company during the year.
- 12.** In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13.** In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS Financial Statements as required by the applicable Ind AS.
- 14.** (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the 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.
- 15.** Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16.** (a) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- 17.** The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 18.** There has been no resignation of the statutory auditors of the Company during the year and accordingly this clause is not applicable and hence not commented upon.
- 19.** 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 Company is not capable of meeting its liabilities existing at the date of 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.

20. (a) According to the information and explanations give to us, the company is required to spent amount u/s 135 of the Act and hence, paragraph 3(xx) of the order is applicable. Details are as below.

| Particulars | As on March 2024 |
|--|---------------------|
| Amount required to be spent by the Company during the year | 3.61 |
| Amount spent by the company during the year | 3.70 |

21. As the company does not have any subsidiary, associate or Joint venture, clause (xxi) is not applicable to the company, hence not commented upon.

For, **M/s Pankaj R. Shah & Associates**
Chartered Accountants
(Registration No. 107361W)

CA Nilesh Shah
Partner
Membership No. 107414
UDIN: 24107414BJZXCA6186

Place: Ahmedabad
Date: 22-05-2024



Annexure ‘B’ to the Independent Auditor’s Report Of even date on the Financial Statements of Ratnaveer Precision Engineering Limited

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

We have audited the internal financial controls over financial reporting of **Ratnaveer Precision Engineering Limited** (“the Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply

with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 control system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made

only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **M/s Pankaj R. Shah & Associates**
Chartered Accountants
(Registration No. 107361W)

CA Nilesh Shah
Partner

Place: Ahmedabad
Date: 22-05-2024

Membership No. 107414
UDIN: 24107414BJZXCA6186



Standalone Balance Sheet

as at March 31, 2024

CIN: L27108GJ2002PLC040488

(₹ in Million)

| Particulars | Note | As at 31-03-2024 | As at 31-03-2023 |
|---|---------------|---------------------|---------------------|
| A ASSETS | | | |
| 1 Non-current assets | | | |
| Property Plant & Equipment | 5.1 | 400.81 | 348.52 |
| Capital work-in-progress | 5.2 | 453.23 | 88.04 |
| Intangible assets | 5.3 | 336.41 | 152.07 |
| Financial Assets | | | |
| Non-current investments | | | |
| Loan | 6 | - | - |
| Other Financial Assets | 7 | 35.04 | 18.71 |
| Deferred Tax Assets (net) | | - | - |
| Other Non-Current Assets | 8 | 7.07 | 13.43 |
| | | 1,232.56 | 620.77 |
| 2 Current assets | | | |
| Inventories | 9 | 2,449.29 | 2,058.26 |
| Financial Assets | | | |
| Trade receivables | 10 | 447.65 | 633.72 |
| Cash and cash equivalents | 11 | 34.94 | 2.35 |
| Bank Balance other than above | 12 | 560.48 | 301.39 |
| Loans | | | |
| Other Financial Assets | 13 | 0.60 | 1.61 |
| Current Income Tax | | | |
| Other current assets | 14 | 435.36 | 272.37 |
| | | 3,928.32 | 3,269.70 |
| TOTAL ASSETS | | 5,160.88 | 3,890.48 |
| B EQUITY AND LIABILITIES | | | |
| 1 Equity | | | |
| Equity Share capital | 15 | 486.94 | 348.94 |
| Other Equity | 16 | 2,034.20 | 711.60 |
| Share Application Money | | - | - |
| | | 2,521.14 | 1,060.54 |
| Liabilities | | | |
| 2 Non-current liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 17 | 339.39 | 340.04 |
| Other long-term liabilities | | - | - |
| Deferred tax liabilities (net) | 18 | 57.07 | 47.06 |
| Long-term provisions | 23 | 0.99 | 1.54 |
| | | 397.45 | 388.64 |
| 3 Current liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 19 | 1,733.01 | 1,959.85 |
| Trade payables | 20 | | |
| Total Outstanding dues of Micro and Small Enterprise | | 80.18 | 4.07 |
| Total Outstanding dues of creditors other than Micro and small Enterprise | | 359.37 | 370.26 |
| Other Financial Liabilities | | - | - |
| Other Current Liabilities | 21 | 51.14 | 50.04 |
| Current Tax Liabilities (Net) | 22 | 5.76 | 33.69 |
| Short-Term Provisions | 23 | 12.83 | 23.39 |
| | | 2,242.29 | 2,441.31 |
| TOTAL EQUITY AND LIABILITIES | | 5,160.88 | 3,890.48 |
| The accompanying notes are integral part of these financial statements | 1 - 63 | | |

As per our report of even date attached

For **Pankaj R Shah & Associates**

Chartered Accountants

Firm Regn. No. 107361W

CA Nilesh Shah

Partner

Membership No. - 107414

UDIN:24107414BJZXCA6186

Place: Ahmedabad

Date: 22.05.2024

for and on behalf of Board of Directors of

RATNAVEER PRECISION ENGINEERING LIMITED(Formerly Known As **RATNAVEER METALS LIMITED**)

CIN: L27108GJ2002PLC040488

B. S. Chaplot

Whole Time Director

DIN: 03539750

Vijay R Sanghavi

Managing Director & CFO

DIN: 00495922

Swati Sharda

Company Secretary

Membership No. - A31278

Place: Vadodara

Date: 22.05.2024

Standalone Statements of Profit and Loss

for the year Ended March 31, 2024

CIN: L27108GJ2002PLC040488

(₹ in Million)

| Particulars | Note No. | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|--|----------|---------------------------------|---------------------------------|
| I Revenue from operations | 24 | 5,953.79 | 4,797.48 |
| II Other income | 25 | 70.21 | 13.97 |
| III Total Income (I+II) | | 6,024.00 | 4,811.45 |
| IV Expenses | | | |
| Cost of materials consumed | 26 | 5,667.35 | 4,189.58 |
| Purchases of stock-in-trade | | - | - |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 27 | (545.29) | (266.22) |
| Employee benefits expenses | 28 | 68.14 | 78.78 |
| Finance costs | 29 | 120.87 | 122.92 |
| Depreciation expenses | 30 | 58.24 | 40.18 |
| Other expenses | 31 | 263.76 | 339.09 |
| Total expenses | | 5,633.07 | 4,504.33 |
| V Profit before exceptional and extraordinary items and Tax (I-IV) | | 390.93 | 307.12 |
| VI Exceptional items | | - | - |
| VII Profit before tax (V-VI) | | 390.93 | 307.12 |
| VIII Tax expense: | 32 | | |
| Current tax expense for current year | | 47.80 | 40.00 |
| Short / (Excess) Provision for income tax | | 22.63 | 1.35 |
| Deferred tax | | 10.00 | 15.33 |
| | | 80.43 | 56.68 |
| IX Profit from continuing operations (VII-VIII) | | 310.50 | 250.44 |
| X Profit / (Loss) from discontinuing operations (before tax) | | - | - |
| XI Tax expense of discontinuing operations | | - | - |
| XII Profit/(loss) from Discontinued operations (X-XI) | | - | - |
| XIII Profit for the period (IX+XII) | | 310.50 | 250.44 |
| XIV Other Comprehensive Income | | | |
| A (i) Items that will not be reclassified to profit or loss | 33 | (0.08) | (0.18) |
| (ii) Income tax relating to items that will not be reclassified to profit and loss | 33 | 0.02 | 0.05 |
| B (i) Items that will be reclassified to profit or loss | | - | - |
| (ii) Income tax relating to items that will be reclassified to profit and loss | | - | - |
| | | (0.06) | (0.13) |
| XV Total Comprehensive Income for the period (XIII+XIV) | | 310.44 | 250.31 |
| XVI Earnings per share for continued operation | 34 | | |
| Basic & diluted (of ₹10/- each) | | 7.61 | 7.26 |
| XVII Earnings per share for discontinued operation | | | |
| Basic & diluted (of ₹10/- each) | | - | - |
| XVIII Earnings per share for continued operation and discontinued operation | | | |
| Basic & diluted (of ₹ 10/- each) | | 7.61 | 7.26 |
| The accompanying notes are integral part of these financial statements | 1 - 63 | | |

As per our report of even date attached
For **Pankaj R Shah & Associates**
Chartered Accountants
Firm Regn. No. 107361W

CA Nilesh Shah
Partner
Membership No. - 107414
UDIN:24107414BJZXCA6186
Place: Ahmedabad
Date: 22.05.2024

for and on behalf of Board of Directors of
RATNAVEER PRECISION ENGINEERING LIMITED
(Formerly Known As **RATNAVEER METALS LIMITED**)
CIN: L27108GJ2002PLC040488

B. S. Chaptol
Whole Time Director
DIN: 03539750

Vijay R Sanghavi
Managing Director & CFO
DIN: 00495922

Swati Sharda
Company Secretary
Membership No. - A31278
Place: Vadodara
Date: 22.05.2024



Standalone Cashflow Statement

for the Year Ended MARCH 31, 2024

CIN: L27108GJ2002PLC040488

(₹ in Million)

| Particulars | For the Year ended | |
|--|--------------------|---------------|
| | 31.03.2024 | 31.03.2023 |
| (A) Cash Flow from Operating Activities : | | |
| Net Profit before Tax | 390.93 | 307.12 |
| Adjustments for : | | |
| Depreciation | 58.24 | 40.17 |
| Interest Income | (25.16) | (13.87) |
| Interest expenses | 120.87 | 122.92 |
| Amount transferred to Reserves | - | 147.92 |
| (Profit) / Loss on sale of PPE | (0.19) | (0.14) |
| Operating Profit Before Working Capital Changes | 544.69 | 604.12 |
| Adjustments for: | | |
| Non-current/current financial and other assets | | |
| Decrease/(Increase) in Other Financial Assets | 1.01 | 1.56 |
| Decrease/(Increase) in Loans | - | - |
| Decrease/(Increase) in Other Non-Current Assets | (9.96) | 9.36 |
| Decrease/(Increase) in Other Current Assets | (162.99) | 11.99 |
| Trade Receivables | 186.06 | (230.83) |
| Inventories | (391.03) | (345.43) |
| Non-current/current financial and other liabilities/provisions | (28.48) | 13.77 |
| Increase/(Decrease) in Trade Payables | 64.08 | (38.35) |
| Increase/(Decrease) in Other Current Liabilities | 1.10 | 16.90 |
| Increase/(Decrease) in Other Financial Liabilities | - | (3.35) |
| Increase/(Decrease) in Short Term Provisions | (10.55) | 6.28 |
| Cash Generated from/(used in) Operating Activities | 193.93 | 46.02 |
| Direct Taxes Paid (Net) | (70.43) | (41.31) |
| Net Cash from Operating Activities (A) | 123.50 | 4.71 |
| (B) Cash Flow from Investing Activity : | | |
| Purchase of property, plant and equipment's | (660.06) | (184.61) |
| Proceeds from sale of PPE | 1.26 | 0.41 |
| Non-Current Investments Written off | - | - |
| Interest Received | 25.16 | 13.87 |

Standalone Cashflow Statement

for the Year Ended MARCH 31, 2024

CIN: L27108GJ2002PLC040488

(₹ in Million)

| Particulars | For the Year ended | |
|---|--------------------|-----------------|
| | 31.03.2024 | 31.03.2023 |
| Net Cash form Investing Activities (B) | (633.64) | (170.33) |
| (C) Cash Flow from Financial Activities : | | |
| Proceeds /(Repayment) of Long Term Borrowings (Net) | (0.66) | 33.97 |
| Proceeds /(Repayment) from Short Term Borrowings (Net) | (226.84) | 358.65 |
| Interest Paid | (120.87) | (122.92) |
| Increase in share Capital | 138.00 | 2.70 |
| Proceeds on account of Securities Premium | 1,012.22 | - |
| Net Cash Flow from/(used in) Financing Activities (C) | 801.85 | 272.40 |
| Net Increase/(Decrease) in Cash and Bank Balance (A+B+C) | 291.70 | 106.78 |
| Add : Opening Cash & Bank Balances | | |
| Cash on hand | 2.27 | 1.85 |
| Bank Balance In Current Account | 0.08 | 0.15 |
| Bank Balance in Fixed Deposit Account against Bank Guarantee and Margin Money | 301.39 | 194.95 |
| | 303.74 | 196.95 |
| Closing Cash & Bank Balances | | |
| Cash on hand | 1.57 | 2.27 |
| Bank Balance In Current Account | 33.37 | 0.08 |
| Bank Balance in Fixed Deposit Account against Bank Guarantee and Margin Money | 560.48 | 301.39 |
| | 595.42 | 303.72 |
| Refer Note 3.18 for Cash flow method | | |

As per our report of even date attached
For **Pankaj R Shah & Associates**
Chartered Accountants
Firm Regn. No. 107361W

CA Nilesh Shah
Partner
Membership No. - 107414
UDIN:24107414BJZXCA6186
Place: Ahmedabad
Date: 22.05.2024

for and on behalf of Board of Directors of
RATNAVEER PRECISION ENGINEERING LIMITED
(Formerly Known As **RATNAVEER METALS LIMITED**)
CIN: L27108GJ2002PLC040488

B. S. Chaplot
Whole Time Director
DIN: 03539750

Vijay R Sanghavi
Managing Director & CFO
DIN: 00495922

Swati Sharda
Company Secretary
Membership No. - A31278
Place: Vadodara
Date: 22.05.2024



Statement of Changes in Equity

CIN: L27108GJ2002PLC040488

A. Equity share capital

(₹ in Million)

| Particulars | Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|------------------------------|--|--|---|--|
| Balance as at March 31, 2024 | 348.94 | - | 138.00 | 486.94 |
| Balance as at March 31, 2023 | 42.62 | - | 306.32 | 348.94 |

B. Other equity

(₹ in Million)

| Particulars | Reserves and Surplus | | | | Total |
|--|----------------------|-----------------|-------------------|----------------------------|-----------------|
| | Security premium | Capital Reserve | Retained Earnings | Other Comprehensive Income | |
| Balance as at April 1, 2022 | 24.87 | - | 591.06 | 1.20 | 617.13 |
| Profit for the year | 147.92 | - | 250.31 | (0.13) | 398.10 |
| Addition / (Utilization) during the Year | - | - | (303.62) | - | (303.62) |
| Items of OCI, net of tax | - | - | - | - | - |
| Re-measurement losses on defined benefit plans | - | - | - | - | - |
| Balance as at March 31, 2023 | 172.79 | - | 537.75 | 1.07 | 711.61 |
| Balance as at April 1, 2023 | 172.79 | - | 537.75 | 1.07 | 711.61 |
| Profit for the year | 1,012.22 | - | - | (0.06) | 1,012.16 |
| Addition / (Utilization) during the Year | - | - | 310.42 | - | 310.42 |
| Items of OCI, net of tax | - | - | - | - | - |
| Re-measurement losses on defined benefit plans | - | - | - | - | - |
| Balance as at March 31, 2024 | 1,185.01 | - | 848.17 | 1.01 | 2,034.20 |

As per our report of even date attached
For **Pankaj R Shah & Associates**
Chartered Accountants
Firm Regn. No. 107361W

CA Nilesh Shah
Partner
Membership No. - 107414
UDIN:24107414BJZXCA6186
Place: Ahmedabad
Date: 22.05.2024

for and on behalf of Board of Directors of
RATNAVEER PRECISION ENGINEERING LIMITED
(Formerly Known As **RATNAVEER METALS LIMITED**)
CIN: L27108GJ2002PLC040488

B. S. Chaplot
Whole Time Director
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Vijay R Sanghavi
Managing Director & CFO
DIN: 00495922

Swati Sharda
Company Secretary
Membership No. - A31278
Place: Vadodara
Date: 22.05.2024

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

1. Company Information

Ratnaveer Precision Engineering Limited (the 'Company') is a public limited Company and domiciled in India and is incorporated under the provisions of the Companies Act with its registered office located at E-77, GIDC Savli (Manjusar), Baroda - 391775. The company is engaged in the manufacturing and selling of diverse range of SS products with its manufacturing facilities located in Baroda and Ahmedabad State of Gujarat.

The Board of Directors approved the standalone financial statements for the year ended March 31, 2024.

2. Basis of Preparation and Presentation

2.1 Statement of Compliance

(i) Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013

Accordingly, the Company has prepared these Financial Statements are consistent with those followed in the preparation of the Company's annual financial statement for the year ended March 31, 2024.

(ii) Basis of Preparation and Presentation

Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(iii) Current and 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 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 normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

(iv) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.2 Functional and Presentation Currency

Indian rupee is the functional and presentation currency.

2.3 Rounding of amounts

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



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

3. Material Accounting Policies

3.1 Revenue Recognition

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 entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

3.1.1 Revenue is generated primarily from sale of S. S. Products. Revenue is recognised at the point in time when the performance obligation is satisfied and control of the goods is transferred to the customer in accordance with the terms of customer contracts. In case of domestic customers, generally revenue recognition take place when goods are dispatched and in case of export customers when goods are shipped onboard based on bill of landing as per the terms of contract. Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

A contract liability is the obligation to transfer goods to the customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

3.1.2 Sale of Services

Revenue is recognized from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts. Revenue is measured based on the transaction price, which is the consideration, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

A contract liability is the obligation to render services to the customer for which the Company has received consideration from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

3.1.3 Export Incentive

Export incentives are accounted on accrual basis at the time of export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

3.1.4 Other Income

(a) Interest Income

Interest income is recognized using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

(b) Dividend income

Dividend are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(c) Gain or loss on derecognition of Financial Assets

Gain or Loss on derecognition of financial asset is determined as the difference between the sale price (net of selling costs) and carrying value of financial asset.

(d) All other Incomes are recognised and accounted for on accrual basis

3.2 Property, Plant and Equipment

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

The cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

All other expenses on existing fixed assets, including day- to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

For transition to Ind AS, the carrying value of Property Plant and Equipment under previous GAAP as on 1st April, 2020 is regarded as its cost. The carrying value was original cost less accumulated depreciation and cumulative impairment.

Property, Plant and Equipment not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital work-in-progress".

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset at the time of disposal and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on Tangible Assets is calculated on written down value method basis using the ratio arrived as per the useful life prescribed under Schedule II to the Companies Act, 2013.

| Block of Assets | Useful Life (Years) |
|------------------------|---------------------|
| Buildings | 30 - 60 |
| Plant & Machinery | 15 |
| Furniture and Fixtures | 10 |
| Office Equipment's | 5 |
| Vehicles | 8 - 10 |
| Office Equipment's | 5 |

In respect of Property, Plant and Equipment purchased during the year, depreciation is provided on a pro-rata basis from the date on which such asset is ready to use.

The residual value, useful live and method of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible Assets

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred. Costs incurred on individual development projects are recognized as intangible assets from the date when it meets the criteria of the Intangible Assets.

Intangible Assets are amortized over a period of five years as per straight line method.

3.3 Financial Instruments

3.3.1 Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are recognized at fair value on initial recognition.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value of financial assets or financial liabilities on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Regular way purchase and sale of financial assets are accounted for at trade date.

3.3.2 Subsequent Measurement

(a) Non-derivative financial instruments

(i) Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets measured at fair value through profit or loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

(iv) Financial liabilities

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.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.

(b) Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of equity instruments are recognized as a deduction from equity instrument net of any tax effects.

(c) Derivative financial instruments and hedge accounting

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts, cross currency swaps, interest rate swaps and collars. The instruments are employed as hedges of transactions included in the financial statements or for highly probable forecast transactions/firm contractual commitments. These derivatives contracts do not generally extend beyond six months. Except for certain currency swaps and interest rate derivatives.

Derivatives are initially accounted for and measured at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period through profit and Loss Statement.

Effective Interest rate method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

3.3.3 De-recognition

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when obligation specified in the contract is discharged or cancelled or expires.

3.3.4 Off-setting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the company currently has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.4 Fair Value Measurement

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 assumes 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit 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.

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived prices)

Level 3 - inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

3.5 Income Tax

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

3.5.1 Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, wherever appropriate, on the basis of amounts expected to be paid to the tax authorities.

Current tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and current tax liabilities are offset, where company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.5.2 Deferred Tax

Deferred tax is recognized in profit or loss, except when it relates to items that are recognized in other comprehensive income or directly in equity, in which case, the deferred tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities are recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from initial recognition of goodwill; or initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, losses and tax credit can be utilized, except when deferred tax asset on deductible temporary differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rules and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, where company has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.6 Impairment

3.6.1 Financial assets

The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost.

At each reporting date, the Company assesses whether financial assets carried at amortized cost is credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime expected credit losses together with appropriate management estimates for credit loss at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the group of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

3.6.2 Financial assets - investment in subsidiary and associates

The company assesses at each reporting date whether there is an indication that an asset may be impaired. Such indication include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

If any indication exists, the company estimates the asset's recoverable amount based on value in use.

To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset

Where the carrying amount of an asset exceeds its value in use amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in statement of profit and loss.

3.6.3 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 the company estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an assets net selling price 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 groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in the statement of profit and loss.

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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

3.7 Borrowing Costs

Borrowing cost includes interest and other costs that company has incurred in connection with the borrowing of funds.

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 capitalized as part of the cost of the respective asset.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

Investment income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

3.8 Employee Benefits

Short term employee benefits for salary and wages including accumulated leave that are expected to be settled wholly within 12 months after the end of the reporting period in which employees render the related service are recognized as an expense in the statement of profit and loss.

The company measures the expected cost of absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. As per Company's policy, no leave is expected to be carried forward beyond 12 months from the reporting date.

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

The company operates one defined benefit plan for its employees, viz., gratuity plan. The costs of providing benefits under the plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method made at the end of each reporting date. Re-measurement of the net defined benefit liability (asset) comprise of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability / (asset)). Re-measurement are recognized in other comprehensive income and will not be reclassified to profit or loss in a subsequent period.

3.9 Provisions

A provision is recognized when the company has a present obligation as a result of past event and 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

3.10 Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

3.11 Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are neither recognised nor disclosed in the financial statements.

3.12 Foreign Currency

(a) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(c) Exchange difference

All exchange differences are recognized as income or as expenses in the year in which they arise.



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

3.13 Cash and cash equivalent

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank (including demand deposits) and in hand and short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.14 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.15 Inventories

Items of inventory are valued at cost or net realizable value, whichever is lower. Cost for raw materials, traded goods and stores and spares is determined on FIFO basis. Cost includes all charges in bringing the goods to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

3.16 Lease

(i) As a lessee

The Company assesses whether a contract, is, or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has substantially all of the economic benefits from use of the asset throughout the period of the lease and
- the Company has the right to direct the use of the asset.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

3.17 Segment Reporting

An operating segment is component of the company that engages in the business activity from which the company earns revenues and incurs expenses, for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker, in deciding about resources to be allocated to the segment and assess its performance. The company's chief operating decision maker is the managing Director.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable.

Revenue and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

3.18 Cash Flow Statement

Cash flows are reported using indirect method whereby profit for the period is adjusted for the effects of the transactions of non-cash nature, any deferrals

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

or accruals of past or future operating cash receipts and payments and items of income or expenses associated with investing and financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.19 Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

4 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions.

These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are:

Useful lives of Property, plant and equipment

- Valuation of financial instruments
- Provisions and contingencies
- Income tax and deferred tax
- Measurement of defined employee benefit obligations
- Export Incentive
- Provision for Loss Allowance using Expected Credit Loss Model in respect of Trade Receivables



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Note: 5 Property, Plant & Equipment

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|-------------------------------------|---------------------|---------------------|
| Property Plant and Equipment | | |
| Gross Assets | 682.54 | 585.94 |
| Less: Accumulated Depreciation | (281.73) | (237.42) |
| Sub Total | 400.81 | 348.52 |
| Capital Work in Progress | | |
| Gross Assets | 453.23 | 88.04 |
| Less: Accumulated Depreciation | - | - |
| Sub Total | 453.23 | 88.04 |
| Intangible assets | | |
| Gross Assets | 375.39 | 178.38 |
| Less: Accumulated Depreciation | (38.98) | (26.31) |
| Sub Total | 336.41 | 152.07 |
| Total | 1,190.45 | 588.63 |

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

5. Property, Plant & Equipment

(₹ in Million)

| Sr. No. | Particulars | Gross Block | | | Depreciation and Amortisation | | | Net Block | | |
|------------|---------------------------------|------------------|---------------|--------------|-------------------------------|------------------|------------------------------|--------------|------------------|------------------|
| | | As at 01-04-2023 | Additions | Deduction | As at 31-03-2024 | As at 01-04-2023 | Depreciation During the year | Deduction | As at 31-03-2024 | As on 31-03-2023 |
| 5.1 | Tangible Assets | | | | | | | | | |
| | Land | 13.60 | - | - | 13.60 | - | - | - | 13.60 | 13.60 |
| | Factory and Office Building | 47.85 | 0.01 | - | 47.86 | 22.26 | 3.13 | 25.39 | 22.47 | 25.60 |
| | Plant & Machinery | 493.77 | 88.49 | - | 582.26 | 189.94 | 40.23 | 230.17 | 352.09 | 303.84 |
| | Furniture & Fixture | 6.65 | 1.64 | - | 8.29 | 6.16 | 0.22 | 6.38 | 1.91 | 0.50 |
| | Electrical Equipment | 6.70 | 0.24 | - | 6.94 | 5.20 | 0.24 | 5.44 | 1.50 | 1.50 |
| | Office Equipment | 2.98 | 1.31 | - | 4.28 | 2.34 | 0.24 | 2.58 | 1.70 | 0.63 |
| | Computer | 5.60 | 0.25 | - | 5.85 | 5.17 | 0.49 | 5.66 | 0.19 | 0.43 |
| | Vehicles (Motor Car) | 8.34 | 5.92 | 1.26 | 13.00 | 6.01 | 1.00 | 5.75 | 7.25 | 2.32 |
| | Vehicles (Scooter & Bike) | 0.44 | - | - | 0.44 | 0.35 | 0.02 | 0.37 | 0.07 | 0.08 |
| | Total (A) | 585.93 | 97.86 | 1.26 | 682.52 | 237.43 | 45.57 | 1.26 | 400.78 | 348.50 |
| 5.2 | Intangible Assets | | | | | | | | | |
| | Research and Development | 178.38 | 197.01 | - | 375.39 | 26.31 | 12.67 | 38.98 | 336.41 | 152.07 |
| | Total (B) | 178.38 | 197.01 | - | 375.39 | 26.31 | 12.67 | 38.98 | 336.41 | 152.07 |
| 5.3 | Capital Work In Progress | | | | | | | | | |
| | | 88.04 | 453.23 | 88.04 | 453.23 | - | - | - | 453.23 | 88.04 |
| | Total (C) | 88.04 | 453.23 | 88.04 | 453.23 | - | - | - | 453.23 | 88.04 |
| | Total (A + B + C) | 852.35 | 748.10 | 89.30 | 1,511.14 | 263.74 | 58.24 | 1.26 | 1,190.42 | 588.61 |
| | Previous Year | 668.16 | 271.10 | 86.91 | 852.35 | 223.56 | 40.18 | 263.74 | 588.64 | 444.61 |

Note:-

There is no investment in property hence details related to valuation of the same are not disclosed

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Note: 5.2 - Capital work-in-progress

| Particulars | Gross Block | | | Accumulated depreciation | | | Net Block | | |
|--------------|-----------------------------|---------------------------|--------------|-----------------------------|---------------------------|----------|-----------------------------|------------------|-----------------------------|
| | Balance as at 1 April, 2023 | Additions during the year | Transfer | Balance as at 31 March 2024 | Depreciation for the year | Transfer | Balance as at 31 March 2024 | As at 31-03-2024 | Balance as at 31 March 2023 |
| CWIP | 88.04 | 453.23 | 88.04 | 453.23 | - | - | - | 453.23 | 88.04 |
| Total | 88.04 | 453.23 | 88.04 | 453.23 | - | - | - | 453.23 | 88.04 |

(₹ in Million)

| Particulars | Gross Block | | | Accumulated depreciation | | | Net Block | |
|--------------|-----------------------------|---------------------------|--------------|-----------------------------|---------------------------|----------|-----------------------------|------------------------------|
| | Balance as at 1 April, 2022 | Additions during the year | Transfer | Balance as at 31 March 2023 | Depreciation for the year | Transfer | Balance as at 31 March 2023 | Balance as at 31 March, 2022 |
| CWIP | 36.71 | 137.82 | 86.04 | 88.04 | - | - | - | 36.71 |
| Total | 36.71 | 137.82 | 86.04 | 88.04 | - | - | - | 36.71 |

(₹ in Million)

5.2.1 Capital Work-in-progress (CWIP)

| Particulars | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| As at 31-03-2024 | | | | | |
| Projects in progress | 453.23 | - | - | - | 453.23 |
| As at 31-03-2023 | | | | | |
| Projects in progress | 88.04 | - | - | - | 88.04 |
| Projects temporarily suspended | - | - | - | - | - |



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Note: 5.3 - Intangible assets

| Particulars | Gross Block | | | | Accumulated depreciation | | | Net Block | |
|--|-----------------------------|---------------------------|-----------|-----------------------------|-----------------------------|---------------------------|----------------------------------|-----------------------------|------------------|
| | Balance as at 1 April, 2023 | Additions during the year | Disposals | Balance as at 31 March 2024 | Balance as at 1 April -2023 | Depreciation for the year | Eliminated on disposal of assets | Balance as at 31 March 2024 | As at 31-03-2024 |
| | | | | | | | | | |
| Intangible assets (Research & Development) | 178.38 | 197.01 | - | 375.39 | 26.31 | 12.67 | - | 38.98 | 336.41 |
| Total | 178.38 | 197.01 | - | 375.39 | 26.31 | 12.67 | - | 38.98 | 152.07 |

(₹ in Million)

| Particulars | Gross Block | | | | Accumulated depreciation | | | Net Block | |
|--|-----------------------------|---------------------------|-----------|-----------------------------|-----------------------------|---------------------------|----------------------------------|-----------------------------|------------------------------|
| | Balance as at 1 April, 2022 | Additions during the year | Disposals | Balance as at 31 March 2023 | Balance as at 1 April -2022 | Depreciation for the year | Eliminated on disposal of assets | Balance as at 31 March 2023 | Balance as at 31 March, 2022 |
| | | | | | | | | | |
| Intangible assets (Research & Development) | 95.15 | 83.23 | - | 178.38 | 15.17 | 11.14 | - | 26.31 | 79.98 |
| Total | 95.15 | 83.23 | - | 178.38 | 15.17 | 11.14 | - | 26.31 | 79.98 |

(₹ in Million)



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

5. Property, Plant & Equipment

(₹ in Million)

| SR. NO. | PARTICULARS | GROSS BLOCK | | | DEPRECIATION AND AMORTIZATION | | | NET BLOCK | | |
|------------|---------------------------------|------------------|---------------|--------------|-------------------------------|------------------|------------------------------|-----------|------------------|------------------|
| | | As at 01-04-2022 | Additions | Deduction | As at 31-03-2023 | As on 01-04-2022 | Depreciation During the year | Deduction | As at 31-03-2023 | As on 31-03-2022 |
| 5.1 | Tangible Assets | | | | | | | | | |
| | Land | 13.60 | | | 13.60 | | | | 13.60 | 13.60 |
| | Factory and Office Building | 47.80 | 0.05 | - | 47.85 | 19.93 | 2.32 | - | 22.26 | 27.87 |
| | Plant & Machinery | 447.30 | 46.47 | - | 493.77 | 164.50 | 25.43 | - | 189.94 | 282.80 |
| | Furniture & Fixture | 6.56 | 0.10 | - | 6.65 | 5.93 | 0.23 | - | 6.16 | 0.63 |
| | Electrical Equipment | 6.24 | 0.46 | - | 6.70 | 5.02 | 0.18 | - | 5.20 | 1.23 |
| | Office Equipment | 2.76 | 0.21 | - | 2.98 | 2.29 | 0.05 | - | 2.34 | 0.47 |
| | Computer | 5.43 | 0.17 | - | 5.60 | 4.82 | 0.35 | - | 5.17 | 0.61 |
| | Vehicles (Motor Car) | 6.17 | 2.59 | 0.42 | 8.34 | 5.56 | 0.46 | - | 6.01 | 0.61 |
| | Vehicles (Scooter & Bike) | 0.44 | 0.00 | - | 0.44 | 0.34 | 0.02 | - | 0.35 | 0.10 |
| | TOTAL (A) | 536.31 | 50.05 | 0.42 | 585.94 | 208.38 | 29.04 | - | 237.42 | 327.93 |
| 5.3 | Intangible Assets | | | | | | | | | |
| | Research and Development | 95.15 | 83.23 | - | 178.38 | 15.17 | 11.14 | - | 26.31 | 79.98 |
| | TOTAL (B) | 95.15 | 83.23 | - | 178.38 | 15.17 | 11.14 | - | 26.31 | 79.98 |
| 5.2 | Capital Work In Progress | | | | | | | | | |
| | | 36.71 | 137.82 | 86.49 | 88.04 | - | - | - | 88.04 | 36.71 |
| | TOTAL (C) | 36.71 | 137.82 | 86.49 | 88.04 | - | - | - | 88.04 | 36.71 |
| | TOTAL (A + B + C) | 668.17 | 271.10 | 86.91 | 852.36 | 223.55 | 40.17 | - | 263.73 | 444.62 |
| | Previous Year | 537.76 | 253.77 | - | 123.37 | 185.48 | 39.37 | 1.29 | 223.55 | 352.28 |

Note:- There is no investment in property hence details related to valuation of the same are not disclosed

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Note: 6 - Loan

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|----------------------------|---------------------|---------------------|
| Unsecured, Considered Good | | |
| Loan Others | - | - |
| Loan Related Party | - | - |
| Total | - | - |

Note: 7 - Other Financial Assets

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|--|---------------------|---------------------|
| Unsecured, Considered Good | | |
| Security Deposits | 24.87 | 15.54 |
| Deposits with the Financial Institutions having maturity more than 12 months and given as Security Deposit | 10.17 | 3.17 |
| Total | 35.04 | 18.71 |

Note: 8 - Other Non-Current Assets

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|-----------------------------------|---------------------|---------------------|
| Unsecured, Considered Good | | |
| Advance for Capital Expenditure | 7.07 | 8.07 |
| Balance with Govt Authorities | - | 5.36 |
| Total | 7.07 | 13.43 |

Note: 9 - Inventories

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|---|---------------------|---------------------|
| Raw materials | 258.27 | 418.59 |
| Work-in-progress | 1,905.54 | 1,398.34 |
| Finished goods (Inclues Rs 7.99 Millions lying at port) (PY Rs 33.91 Millions) | 226.45 | 188.36 |
| Stores & Spares | 57.33 | 39.47 |
| Packing Material | 1.70 | 13.50 |
| Total | 2,449.29 | 2,058.26 |

THE INVENTORIES ARE HYPOTHICATED AS A SECURTY AS DISCLOSED IN NOTE 19.1

Note: 10 - Trade receivables

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|--|---------------------|---------------------|
| (Unsecured, Considered Good) | | |
| Trade receivables exceeding six months from Due Date | 4.66 | 19.84 |
| Trade Receivables considered good Refer note no 48 and note No 10.1 for aging | 442.99 | 613.88 |
| Total | 447.65 | 633.72 |

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024



10.1 Ageing of Trade Receivables

(Rs in Million)

| Particulars | 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 | |
| As at 31 Mar. 2024 | | | | | | |
| Undisputed Trade Receivables – considered good | 297.52 | 145.48 | 1.20 | 3.46 | - | 447.66 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Undisputed Trade receivable – credit impaired | - | - | - | - | - | - |
| Disputed Trade receivables - considered good | - | - | - | - | - | - |
| Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Disputed Trade receivables – credit impaired | - | - | - | - | - | - |
| Total | 297.52 | 145.48 | 1.20 | 3.46 | - | 447.66 |

(Rs in Million)

| Particulars | 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 | |
| As at 31 Mar. 2023 | | | | | | |
| Undisputed Trade Receivables – considered good | 613.88 | 7.23 | 12.61 | - | - | 633.72 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Undisputed Trade receivable – credit impaired | - | - | - | - | - | - |
| Disputed Trade receivables - considered good | - | - | - | - | - | - |
| Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Disputed Trade receivables – credit impaired | - | - | - | - | - | - |
| Total | 613.88 | 7.23 | 12.61 | - | - | 633.72 |

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Note: 11 - Cash and cash equivalents

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|---------------------------|---------------------|---------------------|
| Cash on hand* | 1.57 | 2.27 |
| Balances with banks | | |
| - In Current Account | 33.37 | 0.08 |
| - In Margin money Account | | |
| Total | 34.94 | 2.35 |

* Include Cash in Foreign Currencies.

Note: 12 - Bank Balance other than above

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|---|---------------------|---------------------|
| Bank Balance in Fixed Deposit Account against Bank Guarantee and Margin Money | 560.48 | 301.39 |
| Total | 560.48 | 301.39 |

Note: 13 - Other Financial Assets

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|--|---------------------|---------------------|
| (Unsecured, Considered Good) | | |
| Advance Recoverable in cash or in kind or for value to be received | 0.60 | 1.61 |
| Derivative Assets | - | - |
| Total | 0.60 | 1.61 |

Note: 14 - Other current assets

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|--|---------------------|---------------------|
| Unsecured, Considered Good | | |
| Advance Recoverable in cash or in kind or for value to be received | 2.24 | - |
| Export Incentive Receivable | 142.04 | 142.52 |
| Interest accrued on Fixed Deposits but not due | - | 0.34 |
| Prepaid expenses | 28.19 | 13.52 |
| Balance with Government Authorities | 15.81 | 9.82 |
| Advance to Suppliers | 247.09 | 91.44 |
| IPO Expenses | - | 14.74 |
| Total | 435.36 | 272.37 |



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Note: 15 - Equity Share capital

(₹ in Million)

| Particulars | As at | |
|--------------------------|---------------|---------------|
| | 31-03-2024 | 31-03-2023 |
| Equity Share Capital | | |
| Opening balance | 346.99 | 40.67 |
| Add: During the year | 138.00 | 306.32 |
| Sub Total | 484.99 | 346.99 |
| Preference Share Capital | | |
| Opening balance | - | - |
| Add: During the year | - | - |
| Sub Total | - | - |
| Share Forfeiture account | | |
| Opening balance | 1.95 | 1.95 |
| Add: During the year | - | - |
| Sub Total | 1.95 | 1.95 |
| Total | 486.94 | 348.94 |

(₹ in millions)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|-------------------------------|----------------------|----------------|----------------------|----------------|
| | (Shares in Million) | (₹ in Million) | (Shares in Million) | (₹ in Million) |
| | No. of shares | Amount | No. of shares | Amount |
| Authorised | | | | |
| Equity shares of 10 each | 50.00 | 500.00 | 50.00 | 500.00 |
| Preference shares of 10 each | 3.00 | 30.00 | 3.00 | 30.00 |
| Issued | | | | |
| Equity shares of 10 each | 34.70 | 346.99 | 34.70 | 346.99 |
| Equity shares of 10 each # | 13.80 | 138.00 | - | - |
| Subscribed and Paid Up | | | | |
| Equity shares of 10 each | 48.50 | 484.99 | 34.70 | 346.99 |
| Add : Forfeited shares | 0.20 | 1.95 | 0.20 | 1.95 |

The Company has completed its Initial Public Offer (IPO) of 1,68,40,000 equity shares of face value of ₹ 10 each at an issue price of ₹ 98 aggregating up to Rs 1650.32 Million comprising through fresh issue of 1,38,00,000 equity shares aggregating up to ₹1352.40 Million and Offer for Sale for 30,40,000 equity shares aggregating up to ₹ 297.92 Million. The Offer was made pursuant to Regulation 6(1) of SEBI ICDR Regulations. The equity shares of the Company were listed on National Stock Exchange of India Limited and BSE Limited on September 11, 2023.

15.1 Reconciliation of equity shares outstanding at the beginning and at the end of the year

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|----------------|----------------------|----------------|
| | (Shares in Million) | (₹ in Million) | (Shares in Million) | (₹ in Million) |
| | No. of shares | Amount | No. of shares | Amount |
| Outstanding at the beginning of the Year | 34.89 | 348.94 | 4.07 | 40.67 |
| Share Forfeiture account | 0.20 | 1.95 | 0.20 | 1.95 |
| Addition during the year | 13.80 | 138.00 | 30.63 | 306.32 |
| Outstanding at the end of the year | 48.89 | 488.89 | 34.90 | 348.94 |

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

15.2 Rights, Preferences and Restrictions attached to equity shares

The Company has one class of shares having par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

15.3 Shares held by promoters (Promotor as defined in the Companies Act, 2013)

| Promoter name | As at March 31,2024 | Change during the year | % of Total Shares in 24 |
|---|---------------------|------------------------|-------------------------|
| Vijay R Sanghvi | 25.97 | (3.04) | 53.55% |
| Seema V Sanghvi | 0.94 | - | 1.94% |
| Briyanshi V Sanghvi (16 Nos of Shares) | 0.00 | | 0.00% |
| Total | 26.91 | (3.04) | 55.48% |

| Promoter name | As at March 31,2023 | Change during the year | % of Total Shares in 23 |
|-----------------|---------------------|------------------------|-------------------------|
| Vijay R Sanghvi | 29.01 | 25.38 | 83.60% |
| Seema V Sanghvi | 0.94 | 0.82 | 2.71% |
| Total | 29.95 | 26.20 | 86.31% |

15.4 Details of shareholders holding more than 5% shares in the Company

(₹ in Million)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|-----------------|----------------------|-----------------------------------|----------------------|-----------------------------------|
| | No. of shares | % Holding in that class of shares | No. of shares | % Holding in that class of shares |
| Vijay R Sanghvi | 25.97 | 53.55% | 29.01 | 83.60% |

Note: 16 - Other Equity

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|--|------------------|------------------|
| Securities premium | | |
| Opening balance | 172.79 | 24.87 |
| Addition / (Utilization) during the Year (net of IPO expenses) | 1,012.22 | 147.92 |
| Sub Total | 1,185.01 | 172.79 |
| Other Comprehensive Income | | |
| Opening balance | 1.07 | 1.20 |
| Add: Profit for the year | (0.06) | (0.13) |
| Sub Total | 1.01 | 1.07 |
| Retain Earning | | |
| Opening balance | 537.74 | 591.05 |
| Add: Profit for the year | 310.44 | 250.31 |
| Less: Bonus Share Alloted on 12.01.2023 | - | (303.62) |
| Sub Total | 848.18 | 537.74 |
| Total | 2,034.20 | 711.60 |



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Nature and purpose of Other Equity - Security Premium

The amount received in excess of face value of the equity shares, in relation to issuance of equity, is recognised in Securities Premium Reserve and can be utilised in accordance with the provisions of the Companies Act, 2013.

Bonus share

Previous Year Company has issued bonus share 1:7 on 12.01.2023 as AGM held total no of share bonus share issued 30361660.

Retained earnings

Retained earnings are the profits that the Company has earned till date. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

Note: 17 - Borrowings

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|--|---------------------|---------------------|
| Preference Share (secured) | | |
| 9% Non-cumulative Redeemable preference shares | 10.53 | 10.53 |
| Refer Note No: 17.1 | | |
| Sub Total | 10.53 | 10.53 |
| Term loans (Secured)-With Bank | | |
| UCO Bank | 14.96 | 20.58 |
| Bandhan Bank | 53.63 | 80.08 |
| Yes Bank | 0.60 | 0.69 |
| HDFC Bank | 5.25 | 1.21 |
| With Financial Institutions | | |
| Edelweiss Capital Ltd | - | 0.64 |
| Sub Total | 74.44 | 103.20 |
| Other loans and advances (Unsecured) | | |
| Financial Institutions | - | 129.77 |
| From Directors & Shareholders | 254.41 | 96.53 |
| Sub Total | 254.41 | 226.30 |
| Total | 339.39 | 340.04 |

Refer note no 52 and 53 for utilized of borrowed fund Refer Note No 17.2 For Security & Rate of Interest.

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

17.1 Preference Shares

Preference Share allotted shall be for tenure up to 20 years from date of allotment and company has right to redeem said share before expiry of 20 years its own or request from share holders

17.2 Nature of security, Rate of Interest and Terms of Repayment

UCO BANK: Term Loan secured against second charge with existing credit facility and personal guarantee of Shri Vijay R Sanghvi. Repayment Schedule for 1st Term Loan 24 monthly installments of Rs 2100000 including 6 month moratorium period (commencing from 30.11.2020) and 2nd Term Loan 72 monthly installments Rs 452084 including 24 month moratorium period. (commencing from 31-03-2024)@8.95% p.a

BANDHAN BANK: Term Loan secured against second charge with existing credit facility and personal guarantee of Shri Vijay R Sanghvi. Repayment Schedule for 1st Term Loan 60 monthly installments of Rs 618750 including 12 month moratorium period (commencing from 31.10.2022) @9.25% p.a and 2nd Term Loan 60 monthly installments Rs 589600 including 12 month moratorium period. (commencing from 31-10-2022)

YES BANK Ltd: Secured against hypothecation of FORK LIFT to be purchased under the agreement and also secured by way of Personal Guarantee of the Directors of the company Shri Vijay R Sanghvi . Repayment Schedule :84 Monthly installments of Rs19950/- (including interest) commencing from 20.02.2023) @9.50%

HDFC BANK LTD: Secured against hypothecation of Motor Car to be purchased under the agreement and also secured by way of Personal Guarantee of the Directors of the company Shri Vijay R Sanghvi . Repayment Schedule :60 Monthly installments of Rs22834/- (including interest) @9% commencing from 07.06.2023)

HDFC BANK LTD: Secured against hypothecation of Motor Car to be purchased under the agreement and also secured by way of Personal Guarantee of the Directors of the company Shri Vijay R Sanghvi . Repayment Schedule :60 Monthly installments of ₹ 62,083/- (including interest) @8.50% commencing from 07.01.2024)

HDFC BANK LTD: Secured against hypothecation of Motor Car to be purchased under the agreement and also secured by way of Personal Guarantee of the Directors of the company Shri Vijay R Sanghvi . Repayment Schedule :60 Monthly installments of ₹ 24261/- (including interest) @9.10% commencing from 05.05.2024)

HDFC BANK LTD: Secured against hypothecation of Motor Car to be purchased under the agreement and also secured by way of Personal Guarantee of the Directors of the company Shri Vijay R Sanghvi . Repayment Schedule :84 Monthly installments of Rs24781/- (including interest) @9% commencing from 07.10.2022)

YES BANK LTD: Secured against hypothecation of FORK LIFT to be purchased under the agreement and also secured by way of Personal Guarantee of the Directors of the company Shri Vijay R Sanghvi . Repayment Schedule :84 Monthly installments of Rs19950/- (including interest) commencing from 20.02.2023) @9.50%

Note: 18 - Deferred tax liabilities (net)

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|---------------------------------|---------------------|---------------------|
| Deferred Tax Liabilities | | |
| Opening balance | 47.84 | 32.21 |
| Add: During the year | 10.67 | 15.63 |
| Closing Balance | 58.51 | 47.84 |
| Deferred Tax Assets | | |
| Opening balance | (0.78) | (0.53) |
| Add: During the year | (0.66) | (0.25) |
| Closing Balance | (1.44) | (0.78) |
| Total | 57.07 | 47.06 |



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Note: 19-Borrowings

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|---|---------------------|---------------------|
| Secured | | |
| Current maturities of long-term debt | | |
| Yes Bank | 0.18 | 0.24 |
| UCO Bank | 4.69 | 0.90 |
| Bandhan Bank | 27.03 | 14.45 |
| Tata Financial Capital Service Ltd | - | 1.04 |
| Edelweiss Capital Ltd | 0.65 | 2.21 |
| HDFC Bank | 1.09 | 0.30 |
| From banks: Working Capital | 561.48 | 608.75 |
| Unsecured | | |
| From Banks | | |
| Buyer's Credit | 422.48 | 209.17 |
| LC Bill Discounted | 715.41 | 1,117.01 |
| From Directors & Shareholders | - | 5.78 |
| Current maturities of long-term debt (Unsecured) | | |
| Financial Institutions | - | - |
| Total | 1,733.01 | 1,959.85 |

Note No: 19.1 Refer note no 52 and 53 for utilized of borrowed fund

Working Capital: Secured against the Hypo. Of Company's Stock & Raw material, Work-in-progress and finished goods & Book debts, and further Secured against Second charge over Company's Land, Building and other immovable assets located at E-77,120 GIDC-Savli (Manjusar), Dist Baroda and First charge over Company's Stock & Raw material, Work-in-progress and finished goods & Book debts. Also, secured against first charge of residential property of Director Shri Vijay R Sanghvi located at 20,21 Vijay Society-I, New Khanderao Road, Vadodara. & also Secured by way of Hypothecation of Key man Insurance of Shri Vijay R Sanghvi & also Personal Guarantee of Shri Vijay R Sanghvi)

Note: 20 - Trade payables

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|--|---------------------|---------------------|
| Total Outstanding dues of Micro and Small Enterprise | 80.18 | 4.07 |
| Total Outstanding dues of creditors other than Micro and small Enterprise (Refer Note No 48 and 20.1 for aging) | 359.37 | 370.26 |
| Total | 439.55 | 374.33 |

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

20.1 Ageing of Trade Payable

(Rs in Million)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|---------------------------|---------------|--|-------------|-----------|-------------------|---------------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| As at 31 Mar. 2024 | | | | | | |
| MSME | 79.95 | 0.03 | 0.20 | - | - | 80.18 |
| Others | 241.74 | 112.90 | 4.73 | - | - | 359.37 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - | - |
| Total | 321.69 | 112.93 | 4.93 | - | - | 439.55 |

(Rs in Million)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|---------------------------|---------------|--|-------------|-------------|-------------------|---------------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| As at 31 Mar. 2023 | | | | | | |
| MSME | - | 4.07 | - | - | - | 4.07 |
| Others | 274.79 | 90.10 | 2.36 | 3.02 | - | 370.26 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - | - |
| Total | 274.79 | 94.17 | 2.36 | 3.02 | - | 374.33 |

20.2 Trade Payables - Total outstanding dues of Micro & Small Enterprises

(Rs in Million)

| Particulars | As at | As at | As at | As at | As at |
|---|------------|------------|------------|------------|------------|
| | 31-03-2024 | 31-03-2023 | 31-03-2022 | 31-03-2021 | 31-03-2020 |
| a) The Principal amount and interest due there on remaining unpaid as at year end: Principal | 80.18 | 4.07 | - | - | - |
| b) Interest paid by the company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year. | - | - | - | - | - |
| c) 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 Micro, Small and Medium Enterprises Development Act, 2006 | - | - | - | - | - |



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

(Rs in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 | As at 31-03-2022 | As at 31-03-2021 | As at 31-03-2020 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| d) Interest accrued and remain unpaid as at year end | - | - | - | - | - |
| e) Further interest remaining due and payable even in the succeeding year until such date when the interest dues as above are actually paid to the small enterprises | - | - | - | - | - |

* Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

Note: 21 - Current Tax Liabilities (Net)

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|------------------------|---------------------|---------------------|
| Statutory liabilities | 7.93 | 19.28 |
| Advance from customers | 43.21 | 30.76 |
| Total | 51.14 | 50.04 |

Note: 22 - Current Tax Liabilities (Net)

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|--|---------------------|---------------------|
| Provision for tax (net of advance tax & TDS) | 5.76 | 33.69 |
| Total | 5.76 | 33.69 |

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Note: 23 - Provisions

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|---------------------------------|---------------------|---------------------|
| Non-current | | |
| Provision for Gratuity | 0.99 | 1.54 |
| Total-Non-Current | 0.99 | 1.54 |
| Current | | |
| Provision for Employee Benefits | 7.51 | - |
| Provision for Expenses | 3.71 | 21.81 |
| Provision for Gratuity | 1.61 | 1.58 |
| Total-Current | 12.83 | 23.39 |
| Total | 13.82 | 24.94 |

Note: 24 - Revenue from operations

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|-----------------------------------|---------------------------------|---------------------------------|
| (A) Sale of products | | |
| Domestic | 5,504.08 | 3,875.39 |
| Export | 449.42 | 921.91 |
| Sub total - A | 5,953.50 | 4,797.30 |
| (B) Other Operating Income | | |
| Income from Job Work | 0.29 | 0.18 |
| Sub total - B | 0.29 | 0.18 |
| Total (A+B) | 5,953.79 | 4,797.48 |

24.1 Disaggregation of Revenue from Contracts with Customers:

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|--------------------------------------|---------------------------------|---------------------------------|
| Geographical Disaggregation: | | |
| Revenues within India | 5,504.08 | 3,875.39 |
| Revenues outside India | 449.42 | 921.91 |
| Total Revenue from Operations | 5,953.50 | 4,797.30 |
| Timing of revenue recognition | 5,953.79 | 4,797.48 |
| Total Revenue from Operations | 5,953.79 | 4,797.48 |

Contract balances:

Receivables, contracts assets and contract liabilities from contracts with customers:

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|-----------------------------|---------------------------------|---------------------------------|
| Contract assets | | |
| Trade Receivables | 447.65 | 633.72 |
| Contract liabilities | | |
| Advances from customers | 43.21 | 30.76 |



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Note: 25 - Other Income

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|--|---------------------------------|---------------------------------|
| Interest Income | 25.16 | 13.87 |
| Commsion Income | 30.20 | - |
| Net gain on account of foreign exchange fluntuation | 12.40 | - |
| Debit/credit Balance Written Off / Written Back A/c | 0.68 | (0.05) |
| Gain/(loss) on sale of property, plant and equipment | 0.19 | 0.15 |
| Other Income | 1.58 | - |
| Total (A+B) | 70.21 | 13.97 |

- i) Interest income includes income from financial assets measured at Amortized Cost 25.16 Million and previous year ₹13.87 Million)

Note: 26 - Cost of materials consumed

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|---------------------|---------------------------------|---------------------------------|
| Opening stock | 418.59 | 329.81 |
| Add: Purchases | 5,507.03 | 4,278.36 |
| | 5,925.62 | 4,608.17 |
| Less: Closing stock | (258.27) | (418.59) |
| Total | 5,667.35 | 4,189.58 |

Note: 27 - Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|---|---------------------------------|---------------------------------|
| Inventories at the end of the year: | | |
| Finished goods | 226.45 | 188.36 |
| Work-in-progress | 1,905.54 | 1,398.34 |
| Sub Total (A) | 2,131.99 | 1,586.70 |
| Inventories at the beginning of the year: | | |
| Finished goods | 188.36 | 378.09 |
| Work-in-progress | 1,398.34 | 942.39 |
| Sub Total (B) | 1,586.70 | 1,320.48 |
| Net increase / (decrease) (B-A) | (545.29) | (266.22) |

Note: 28 - Employee benefits expenses

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|---|---------------------------------|---------------------------------|
| Salaries and wages | 62.94 | 73.41 |
| Contribution to Provident and Other Funds | 2.19 | 1.67 |
| Gratuity | 1.18 | 0.80 |
| Leave Encashment | 0.37 | 0.70 |
| Staff Welfare Expenses | 1.46 | 2.20 |
| Total | 68.14 | 78.78 |

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Note: 29 - Finance costs

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|--|---------------------------------|---------------------------------|
| Interest expense on: | | |
| Term Loan | 15.70 | 9.61 |
| Working Capital | 54.09 | 60.00 |
| Unsecured Loan | 15.81 | 20.80 |
| Secured Loan | 0.29 | 1.36 |
| Interest Expense | | |
| Bank and Other Borrowings | 85.89 | 91.76 |
| Others | 11.90 | 19.83 |
| Interest on Bill Discounting | 7.00 | 16.63 |
| Interest Others | 4.90 | 3.20 |
| Unwinding of Interest on Financial Liabilities carried at Amortized Cost | - | - |
| Other Financial Charges | 23.08 | 11.33 |
| Total | 120.87 | 122.92 |

Note: 30 - Depreciation expenses

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|---|---------------------------------|---------------------------------|
| Depreciation on property, plant and equipment | 45.57 | 29.04 |
| Amortisation on Intangible Assets | 12.67 | 11.14 |
| Total | 58.24 | 40.18 |

Note: 31 - Other expenses

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|--|---------------------------------|---------------------------------|
| Manufacturing and other Expense | | |
| Stores & Spares Consumed | | |
| Op. Stock | 39.47 | 50.84 |
| Add : Purchase Store | 67.01 | 82.65 |
| | 106.48 | 133.49 |
| Less : Cl. Stock | (57.33) | (39.47) |
| Sub-Total | 49.15 | 94.02 |
| Packing Material Consumed | | |
| Op. Stock | 13.50 | 11.70 |
| Add :- Purchase Packing | 9.27 | 15.04 |
| | 22.77 | 26.74 |
| Less : Cl. Stock | (1.70) | (13.50) |
| Sub-Total | 21.07 | 13.24 |
| Repairs and maintenance - Machinery | 4.79 | 4.20 |
| Repairs and maintenance - Building | 0.35 | - |
| Repairs and maintenance - Others | 0.91 | 0.79 |
| Electricity expenses | 43.21 | 65.41 |
| Labour charges | 57.16 | 62.44 |



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|--|---------------------------------|---------------------------------|
| Sub-Total | 106.42 | 132.84 |
| Rent, Rates and Tax | 19.12 | 17.76 |
| Printing & Stationery | 0.77 | 0.75 |
| Selling & Distribution Expenses | 28.28 | 52.63 |
| Factory Expenses | 3.37 | 2.89 |
| Insurance Expense | 2.34 | 2.62 |
| Travelling, Conveyance and Vehicle Expenses | 5.75 | 4.27 |
| Postage & Telephone expenses | 0.66 | 0.58 |
| Legal & Professional expenses | 18.82 | 8.80 |
| General Expenses | 2.08 | 1.09 |
| Net loss on account of foreign exchange fluntuation | - | 2.86 |
| Donation Expenses | 0.35 | - |
| Corporate Event Exp | 1.09 | - |
| Corporate Social Responsibility (CSR) Expenses | 3.70 | 4.34 |
| Sub-Total | 86.33 | 98.59 |
| Payments to the auditors comprises (net of service tax input credit, where applicable): | | |
| As auditors - statutory audit/Tax Audit fees | 0.79 | 0.40 |
| - Taxation Matters | - | - |
| - Management Services | - | - |
| - Company Law Matters | - | - |
| - Certification fees & Other Services | - | - |
| - Reimbursement of Expenses | - | - |
| Sub-Total | 0.79 | 0.40 |
| Total | 263.76 | 339.09 |

Note: 32 - Tax expense:

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|---|---------------------------------|---------------------------------|
| Current tax expense for current year | 47.80 | 40.00 |
| Current tax expense relating to prior years | 22.63 | 1.35 |
| Deferred tax | 10.00 | 15.33 |
| Total | 80.43 | 56.68 |

Note: 33 - A (i) Items that will not be reclassified to profit or loss

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|--|---------------------------------|---------------------------------|
| Re-measurement of defined benefit plans / Obligations | (0.08) | (0.18) |
| Income tax relating to items that will not be reclassified to profit or Loss | 0.02 | 0.05 |
| Total | (0.06) | (0.13) |

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Note: 34 - Earnings per share for continued operation

(₹ in Million)

| Particulars | For Year ended 31-March-2024 | For Year ended 31-March-2023 |
|---|---------------------------------|---------------------------------|
| Basic & Diluted EPS | | |
| Computation of Profit (Numerator) | | |
| (i) Profit after tax | 310.50 | 250.44 |
| (ii) Add: | | |
| Profit for the year for diluted EPS | 310.50 | 250.44 |
| Weighted Average Number of Shares (Denominator) | | |
| Weighted average number of Equity shares used for calculation of basic earnings per share | 40.82 | 34.50 |
| Add: | | |
| Weighted average number of Shares for computing Diluted Earnings Per Share | 40.82 | 34.50 |
| Earnings Per Share (₹ per Equity Share of ₹ 10/- each) | | |
| Basic | 7.61 | 7.26 |
| Diluted | 7.61 | 7.26 |

35 Contingent Liabilities

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|--|---------------------|---------------------|
| Disputed claims (excluding interest, if any) in respect of | | |
| Income Tax | 100.02 | 100.02 |
| Sales Tax | 26.50 | 26.07 |
| Cestat | 17.05 | 17.05 |
| Civil | 1.28 | 1.28 |
| Capital Commitments | | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances) | 387.07 | 18.54 |
| Total | 531.92 | 162.96 |

- (i) It is not practical for the company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/authorities.
- (ii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities applicable, in its financial statements. The company does not expect the outcomes of these proceedings to have materially adverse affect on its financial results.

36 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the achievement of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long-term and short-term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long-term and short-term bank borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Net debt includes interest bearing borrowings including lease obligations less cash and cash equivalents, other bank balances.

The table below summarises the capital, net debt and net debt to equity ratio of the Company.



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

(₹ in Million)

| Particulars | As at 31-03-2024 | As at 31-03-2023 |
|---------------------------------------|---------------------|---------------------|
| Equity Share Capital | 486.94 | 348.94 |
| Other Equity | 2,034.20 | 711.60 |
| Total Equity | 2,521.14 | 1,060.54 |
| Interest-bearing loans and borrowings | 2,072.40 | 2,299.89 |
| Less: cash and cash equivalent | 34.94 | 2.35 |
| Less: Other bank Balances | 560.48 | 301.39 |
| Net Debt | 1,476.98 | 1,996.15 |
| Gearing Ratio | 0.59 | 1.88 |

37 Employee Benefits

37.1 Defined Contribution Plans

Details of amount recognized as expenses during the year for the defined contribution plans.

(₹ in Million)

| Particulars | Mar.-24 | Mar.-23 |
|-------------------------------------|-------------|-------------|
| Contribution to Provident Funds | 2.19 | 1.53 |
| Contribution to ESIC | 0.26 | 0.14 |
| Contribution to Labour welfare fund | - | - |
| Total | 2.45 | 1.67 |

37.2 Defined Benefit Plan - Gratuity

Information about the characteristics of defined benefit plan

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

| Features of the defined benefit plan | Remarks |
|--------------------------------------|---|
| Benefit offered | $15 / 26 \times \text{Salary} \times \text{Past Service Years}$ |
| Salary definition | Last drawn qualifying salary |
| Benefit ceiling | Benefit ceiling of ₹ 20,00,000 was applied |
| Vesting conditions | 5 Years of service No vesting condition apply in case of Death and disability |
| Retirement age | 58 years |

37.3 The company is responsible for the governance of the plan.

37.4 Risk to the Plan

Gratuity is a defined benefit plan and entity is exposed to the Following Risks:

A Interest rate risk:

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

B Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of member. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

C Investment Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

D Asset Liability Matching Risk:

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

E Mortality risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

F Concentration Risk:

Plan is having a concentration risk as all the assets are invested with the insurance company.

37.5 Reconciliation of defined benefit obligations

(₹ in Million)

| Particulars | 2023-24 | 2022-23 |
|---|-------------|-------------|
| Defined benefit obligations as at beginning of the year | 3.11 | 2.12 |
| Current service cost | 0.75 | 0.70 |
| Interest cost | 0.23 | 0.15 |
| Expense recognized in OCI | 0.08 | 0.18 |
| Actuarial Loss/(Gain) due to change in financial assumptions | - | - |
| Actuarial Loss/(Gain) due to change in demographic assumptions | - | - |
| Actuarial Loss/(Gain) due to experience adjustment for plan liabilities | - | - |
| Benefits Paid | (1.58) | (0.05) |
| Defined benefit obligations as at end of the year | 2.59 | 3.10 |

37.6 Reconciliation of Plan Assets

(₹ in Million)

| Particulars | 2023-24 | 2022-23 |
|---|-------------|-------------|
| Plan Asset as at beginning of the year | 8.18 | 8.04 |
| Interest Income | 0.61 | 0.58 |
| Return on plan assets excluding interest income | (0.08) | (0.11) |
| Contributions by employer | 1.58 | 0.05 |
| Benefits paid | (0.36) | (0.38) |
| Plan Asset as at end of the year | 9.93 | 8.18 |

37.7 Funded Status

(₹ in Million)

| Particulars | As at | |
|--|---------------|---------------|
| | Mar. 31, 2024 | Mar. 31, 2023 |
| Present Value of Benefit Obligation at the end of the Period | (12.53) | (11.29) |
| Fair Value of Plan Assets at the end of the Period | 9.93 | 8.18 |
| Funded Status / (Deficit) | (2.60) | (3.11) |



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

37.8 Net amount Charged to Statement of Profit and Loss for the period

(₹ in Million)

| Particulars | Mar. 31, 2024 | Mar. 31, 2023 |
|---|---------------|---------------|
| Current service cost | 0.75 | 0.70 |
| Net Interest cost | 0.23 | 0.15 |
| Employer's Contribution | (1.58) | (0.05) |
| Provision of Gratuity Expenses | 1.78 | 0.00 |
| Net amount recognized Statement of Profit and Loss | 1.18 | 0.80 |

37.9 Net amount Recognized to Other Comprehensive Income for the period

(₹ in Million)

| Particulars | Mar. 31, 2024 | Mar. 31, 2023 |
|---|---------------|---------------|
| Actuarial (Gains)/Losses on Obligation For the Period | - | 0.08 |
| Return on plan assets excluding interest income | 0.08 | 0.11 |
| Amounts recognized in Other Comprehensive Income | 0.08 | 0.19 |

37.10 Actuarial Assumptions

(₹ in Million)

| Particulars | Mar. 31, 2024 | Mar. 31, 2023 |
|--------------------------------|---------------|---------------|
| Expected Return on Plan Assets | 7.23% | 7.50% |
| Discount Rate | 7.23% | 7.50% |
| Salary Growth Rate | 6.00% | 6.00% |
| Rate of Employee Turnover | 2.00% | 2.00% |

37.11 Sensitivity Analysis for Key Assumption on Defined Benefit Obligation on 31.03.2023

(₹ in Million)

| Assumptions | Change in Assumptions | Increase in Rate | | Decrease in Rate | |
|---------------------------|-----------------------|------------------|-----------|------------------|-----------|
| | | 2023-2024 | 2022-2023 | 2023-2024 | 2022-2023 |
| Discount Rate | +/- 1.00% | (1.05) | (1.01) | 1.20 | 1.15 |
| Salary Growth Rate | +/- 1.00% | 1.20 | 0.12 | (1.07) | (1.03) |
| Rate of Employee Turnover | +/- 1.00% | 0.10 | 0.01 | (0.11) | (0.14) |

37.12 Maturity Profile of the Defined Benefit Obligation

Projected Benefits Payable in Future Years From the Date of Reporting

(₹ in Million)

| Assumptions | Increase in Rate | | Decrease in Rate | |
|--------------------------------|------------------|----------------|------------------|----------------|
| | 2023-2024 | 2022-2023 | 2023-2024 | 2022-2023 |
| 1 st Following Year | 0.80 | 3.00% | 0.37 | 1.42% |
| 2 nd Following Year | 0.53 | 1.99% | 0.31 | 1.19% |
| 3 rd Following Year | 0.34 | 1.28% | 1 | 3.85% |
| 4 th Following Year | 0.36 | 1.35% | 0.33 | 1.27% |
| 5 th Following Year | 0.79 | 2.96% | 0.34 | 1.31% |
| Sum of Years 6 To 10 | 6.20 | 23.26% | 5.26 | 20.23% |
| Sum of Years 11 and above | 17.63 | 66.15% | 18.39 | 70.73% |
| Total | 26.65 | 100.00% | 26.00 | 100.00% |

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

38 Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk.

i Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Interest risk arises to the Company mainly from borrowings with variable rates. The Company measures risk through sensitivity analysis. The banks are now finance at variable rate only, which is the inherent business risk.

The Company's exposure to interest rate risk is as follows:

| Particulars | ₹ in Million | |
|--|---------------|---------------|
| | Mar. 31, 2024 | Mar. 31, 2023 |
| Liability | | |
| Term Loans | 74.44 | 232.99 |
| Working Capital Loan - from Banks (Including Interest Accrued thereon) | 595.12 | 627.90 |
| | 669.56 | 860.89 |

| Particulars | ₹ in Million | |
|--|-------------------------------------|---------------|
| | Impact on Profit and Loss after Tax | |
| | Mar. 31, 2024 | Mar. 31, 2023 |
| Interest Rate increase by 0.50 basis point | 2.51 | 3.22 |
| Interest Rate decrease by 0.50 basis point | (2.51) | (3.22) |

ii Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through its sales and purchases from overseas suppliers in foreign currencies. The company measures risk through sensitivity analysis.

The Company's exposure to Foreign Currency Risk is as follows:

| Particulars | Currency | ₹ in Million | |
|------------------------------|----------|---------------|---------------|
| | | Mar. 31, 2024 | Mar. 31, 2023 |
| Financial Assets | | | |
| Trade Receivables | USD | 0.18 | 0.21 |
| | EURO | 0.1 | 0.18 |
| | INR | | - |
| Financial Liabilities | | | |
| Trade Creditors | USD | - | - |
| | INR | - | - |
| Net Asset/(Liability) | | | |
| USD in INR | | 15.32 | 17.13 |
| EURO in INR | | 8.78 | 16.54 |



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Sensitivity Analysis

(₹ in Million)

| Particulars | Impact on profit / loss before tax | |
|--|------------------------------------|---------------|
| | Mar. 31, 2024 | Mar. 31, 2023 |
| INR / USD rate changes favourably by 2% | 0.31 | 0.34 |
| INR / USD rate changes unfavourably by 2% | (0.31) | (0.34) |
| INR / EURO rate changes favourably by 2% | 0.18 | 0.33 |
| INR / EURO rate changes unfavourably by 2% | (0.18) | (0.33) |

B Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company closely monitors its liquidity position and is attempting to enhance its sources of funding by increasing cash flow generated from its operations and realisations from other proposed measures. The Company measures risk by forecasting cash flows.

The following are the contractual maturities of financial liabilities.

(₹ in Million)

| As at Mar. 31, 2024 | Carrying Amount | upto 1 year | 1 - 2 years | 2 - 5 years | > 5 years |
|-----------------------------|-----------------|---------------|--------------|--------------|-----------|
| Borrowings | 118.61 | 33.65 | 10.53 | 74.43 | - |
| Trade Payables | 439.55 | 439.55 | - | - | - |
| Other Financial Liabilities | - | - | - | - | - |
| Total | 558.16 | 473.20 | 10.53 | 74.43 | - |

(₹ in Million)

| As at Mar. 31, 2023 | Carrying Amount | upto 1 year | 1 - 2 years | 2 - 5 years | > 5 years |
|-----------------------------|-----------------|---------------|--------------|---------------|-----------|
| Borrowings | 262.66 | 19.15 | 21.13 | 222.38 | - |
| Trade Payables | 374.33 | 374.33 | - | - | - |
| Other Financial Liabilities | - | - | - | - | - |
| Total | 636.99 | 393.48 | 21.13 | 222.38 | - |

C Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness.

Credit risk arises primarily from financial assets such as trade receivables, cash and cash equivalent and other financial assets.

In respect of trade receivables, credit risk is being managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. The Company ensures that sales of products are made to customers with appropriate creditworthiness. All trade receivables are also reviewed and assessed for default on a regular basis.

Credit risk arising from cash and cash equivalent and other financial assets is limited due to sound receivable management of the Company.

The maximum exposure to the credit risk at the reporting date from trade receivables after the provision of Allowance for Credit Loss is as under:

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

(₹ in Million)

| Particulars | Mar. 31, 2024 | Mar. 31, 2023 |
|------------------|---------------|---------------|
| Trade Receivable | 447.65 | 633.72 |

39 Financial Instruments

Disclosure of Financial Instruments by Category

As at Mar 31, 2024

(₹ in Million)

| Financial Instruments by categories | Reference Note No. | FVTPL | FVTOCI | Amortized Cost | Total Carrying Amount | Fair Value |
|-------------------------------------|--------------------|-------|--------|-----------------|-----------------------|-----------------|
| Financial Asset | | | | | | |
| Investment | | - | - | - | - | - |
| Other Financial Assets | 7 & 13 | - | - | 35.64 | 35.64 | 35.64 |
| Trade Receivables | 10 | - | - | 447.65 | 447.65 | 447.65 |
| Cash and Cash Equivalents | 11 & 12 | - | - | 595.42 | 595.42 | 595.42 |
| Loans | 6 | - | - | - | - | - |
| Total Financial Assets | | - | - | 1,078.71 | 1,078.71 | 1,078.71 |
| Financial liability | | | | | | |
| Borrowings | 17 & 19 | - | - | 1,817.99 | 1,817.99 | 1,817.99 |
| Trade Payables | 20 | - | - | 439.55 | 439.55 | 439.55 |
| Other Financial Liabilities | | - | - | - | - | - |
| Total Financial Liabilities | | - | - | 2,257.54 | 2,257.54 | 2,257.54 |

As at Mar 31, 2023

(₹ in Million)

| Financial Instruments by categories | Reference Note No. | FVTPL | FVTOCI | Amortized Cost | Total Carrying Amount | Fair Value |
|-------------------------------------|--------------------|-------|--------|-----------------|-----------------------|-----------------|
| Financial Asset | | | | | | |
| Investment | | - | - | - | - | - |
| Other Financial Assets | 7 & 13 | - | - | 20.32 | 20.32 | 20.32 |
| Trade Receivables | 10 | - | - | 633.72 | 633.72 | 633.72 |
| Cash and Cash Equivalents | 11 & 12 | - | - | 303.74 | 303.74 | 303.74 |
| Loans | 6 | - | - | - | - | - |
| Total Financial Assets | | - | - | 957.78 | 957.78 | 957.78 |
| Financial liability | | | | | | |
| Borrowings | 17 & 19 | - | - | 2,197.59 | 2,197.59 | 2,197.59 |
| Trade Payables | 20 | - | - | 374.33 | 374.33 | 374.33 |
| Other Financial Liabilities | | - | - | - | - | - |
| Total Financial Liabilities | | - | - | 2,571.92 | 2,571.92 | 2,571.92 |



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

40 Fair Value Measurement of Financial Asset and Financial Liabilities

The Fair value of current financial assets and current financial liabilities measured at amortised cost, are considered to be the same as their carrying amount as they are of short term nature. Hence fair value hierarchy is not given for the same.

The carrying amount of non - current financial assets and non - current financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Fair Value Hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived prices)

Level 3 - inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(₹ in Million)

| Particulars | Level 1 | Level 2 | Level 3 | Total |
|-----------------------------|---------|---------|---------|-------|
| As at Mar. 31, 2024 | | | | |
| Financial Assets | - | - | - | - |
| Derivative financial Assets | - | - | - | - |
| Total | - | - | - | - |
| As at March 31, 2023 | | | | |
| Financial Assets | - | - | - | - |
| Derivative financial Assets | - | - | - | - |
| Total | - | - | - | - |

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

41 Additional Regulatory Information - Analytical Ratios

| Particulars | Numerator | Denominator | 31 st Mar. 2024 | 31 st Mar. 2023 | Reasons |
|---------------------------------|--|------------------------------|----------------------------|----------------------------|---|
| Current Ratio | Current Assets | Current Liabilities | 1.75 | 1.34 | Due to improvement in Current assets compare to last year |
| Debt Equity Ratio | Borrowings | Share Holder's Equity | 0.85 | 2.75 | due to Equity Capital increase |
| Debt Service Coverage Ratio | Earnings available for debt Service (Refer Note i below) | Debt Service | 16.94 | 25.26 | Due to improvement in operational margins |
| Return on Equity (ROE): | Net Profit after Taxes | Average Shareholder's Equity | 17.34% | 29.12% | Due to improvement in operational margins |
| Inventory Turnover Ratio | Cost of Material Consumed + Changes in WIP/ FG | Average Inventory | 2.27 | 2.08 | Due to increase in average inventory |
| Trade receivable Turnover Ratio | Revenue from Operations | Average Trade Receivables | 11.01 | 9.26 | Due to efficiency in receivable management |
| Trade Payable Turnover Ratio | Purchases | Average Trade Payables | 28.73 | 11.97 | increase due to credit period increase of creditors |
| Net Capital Turnover Ratio | Revenue from Operations | Working Capital | 3.53 | 5.79 | Discrease due to increase in revenue but not so much increase WC |
| Net Profit Ratio | Net Profit | Revenue from Operations | 5.21% | 5.22% | Improvement in margin followed by optimum utilization of resources and increase in capacity utilization |
| Return on Capital Employed | Earning Before Interest and Tax | Capital Employed | 11.00% | 12.62% | |

Note i:

Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

42 List of Related Parties & Relationship:

| Sr. No. | Particulars | Name of the Related Parties |
|---------|--|--|
| 1 | Key Managerial Personnel (KMP) | Vijay Sanghavi Prerna Trivedi (Up to 04.04.2024) Swati Sharda Babulal Chaplot |
| 2 | Relatives of Key Managerial Personnel | Seema Vijay Sanghavi Briyanshi Vijay Sanghavi Rinshi Vijay Sanghavi Binita Verdia |
| 3 | Enterprises overwhich KMP having significant influence | Vijay Sanghavi HUF Ratnaveer Industries |

42.1 Disclosure of material transactions with Related Party:

(₹ in Million)

| Sr. No. | Particulars | 2023-24 | 2022-23 |
|------------|----------------------------------|---------------|---------------|
| 1 | Loan Transactions | | |
| 1.1 | With KMP | | |
| | Loan Taken from | | |
| | Vijay Sanghavi | 712.77 | 145.43 |
| | Seema V Sanghavi | 0.24 | 0.19 |
| | | 713.01 | 145.62 |
| | Loan Repaid to | | |
| | Vijay Sanghavi | 560.48 | 154.64 |
| | Seema V Sanghavi | 0.43 | - |
| | | 560.91 | 154.64 |
| 2 | Expenses | | |
| 2.1 | Interest Expenses | | |
| | Vijay Sanghavi | 6.92 | 8.69 |
| | | 6.92 | 8.69 |
| 2.2 | Directors' Remuneration | | |
| | Vijay Sanghavi | 5.40 | 5.40 |
| | Babulal Chaplot | 0.84 | 0.82 |
| | | 6.24 | 6.22 |
| 2.3 | Employee Benefit Expenses | | |
| | Seema Sanghavi | 1.50 | 1.50 |
| | Briyanshi Vijay Sanghavi | 0.60 | 0.60 |
| | Prerana Trivedi | 0.62 | 0.30 |
| | | 2.72 | 2.40 |
| 2.4 | Rent Paid | | |
| | Vijay Sanghavi | 0.60 | 0.60 |
| | Seema Sanghavi | 0.60 | 0.60 |
| | Ratnaveer Industries | 7.20 | 7.20 |
| | Vijay Sanghavi HUF | 0.30 | 0.30 |
| | | 8.70 | 8.70 |
| 3 | Balance Outstanding | | |
| | Loan Payable | | |
| | Vijay Sanghavi | 254.41 | 102.13 |
| | Seema V Sanghavi | - | 0.19 |

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

(₹ in Million)

| Sr. No. | Particulars | 2023-24 | 2022-23 |
|------------|----------------------------|---------------|---------|
| | | 254.41 | 102.32 |
| 3.1 | Balance Outstanding | | |
| | Employees | | |
| | Vijay Sanghavi | 0.35 | 0.35 |
| | Seema Sanghavi | 0.11 | 0.22 |
| | Briyanshi Sanghavi | 0.04 | 0.10 |
| | Prerana Trivedi | - | 0.04 |
| | Babulal Chaplot | 0.07 | 0.14 |
| | | 0.57 | 0.85 |

42.2 Compensation of Key Managerial Personnel of the Company

(₹ in Million)

| Particulars | 2023-24 | 2022-23 |
|------------------------------|---------|---------|
| Short Term Employee Benefits | 8.96 | 8.62 |
| Director's Sitting Fees | 0.56 | 0.63 |
| Post employment benefits | - | - |
| Termination Benefits | - | - |
| Share Based Payments | - | - |

42.3 The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

42.4 The related party balances outstanding are routine in nature as per ordinary course of business.

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024



Note -43 Transactions with Related Parties:

(₹ in Million)

| Sr. No. | Particulars | KMP | | Relatives of KMP | | Enterprises over which KMP having significant influence | | Total | |
|----------|-----------------------------|---------------|---------------|------------------|---------------|---|---------------|---------------|---------------|
| | | As At Mar2024 | As At Mar2023 | As At Mar2024 | As At Mar2023 | As At Mar2024 | As At Mar2023 | As At Mar2024 | As At Mar2023 |
| 1 | Liabilities | | | | | | | | |
| | Loan taken | 713.01 | 145.62 | - | - | - | - | 713.01 | 145.62 |
| | Loan Repayment | 560.90 | 154.64 | - | - | - | - | 560.90 | 154.64 |
| 2 | Expenses | | | | | | | | |
| | Interest Expense | 6.92 | 8.69 | - | - | - | - | 6.92 | 8.69 |
| | Rent | 0.60 | 0.60 | 0.90 | 0.90 | 7.20 | 7.20 | 8.70 | 8.70 |
| | Employee Benefit Exp | 6.24 | - | 2.10 | 2.40 | - | - | 8.34 | 2.40 |
| | Director's Remuneration | 6.24 | 6.22 | - | - | - | - | 6.24 | 6.22 |
| 3 | Outstanding Balances | | | | | | | | |
| | Liabilities | | | | | | | | |
| | Employees Benefit Payable | 0.42 | 0.53 | 0.15 | 0.32 | - | - | 0.57 | 0.85 |
| | Loans Payable | 254.41 | 102.32 | - | - | - | - | 254.41 | 102.31 |

44 Segment Information

44.1 Primary Segment

The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Board of directors, who are the Chief Operating Decision Makers. They are responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segment is only one segment i.e. manufacture and exporting of Stainless Steel Washers, Sheet Metal Products, Stainless Tube & Pipe and Stainless Steel Finished Steel segment.

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

44.2 Information about major customers

There are two customers (two in 2024) who individually accounted for revenue more than 10% of total revenue of the company.

(₹ in Million)

| Particulars | As At Mar. 2024 | As At Mar. 2023 |
|---|-----------------|-----------------|
| Revenue from such customers | | |
| Customer attributing highest revenue | 2,438.23 | 869.51 |
| Customer attributing second highest revenue | 806.12 | 654.56 |

44.3 Secondary Segment - Geographical Segment

The analysis of geographical segment is based on geographical location of the customers. The geographical segments considered for disclosure are as follows:

Sales within India : Sales to Customer located within India.

Sales outside India : Sales to Customer located outside India.

Information pertaining to Secondary Segment.

(₹ in Million)

| Country | As At Mar. 2024 | As At Mar. 2023 |
|----------------------|-----------------|-----------------|
| Within India | 5,504.08 | 3,875.39 |
| Outside India | | |
| Austria | 10.68 | 16.92 |
| France | 6.74 | 4.55 |
| Hungary | 7.53 | 27.33 |
| Germany | 203.72 | 577.91 |
| Israel | 3.33 | 0.44 |
| Italy | 77.13 | 122.01 |
| Netherland | 34.83 | - |
| Poland | 28.02 | 30.43 |
| Spain | 27.02 | 41.90 |
| Sweden | 0.38 | - |
| UAE | 5.69 | 8.00 |
| U K | 29.20 | 73.26 |
| U S A | 12.62 | 19.16 |
| Norway | 2.04 | - |
| Croatia | 0.48 | - |
| Total | 5,953.50 | 4,797.30 |

45 Details of Loan given, Investment made and Guarantee given pursuant section 186 (4) of the Companies Act, 2013:

Loans given are shown under the respective heads. All Loans given are to the employees of the company. There are no corporate guarantees given by the company in respect of loans as at March 31, 2024.

46 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classifications / disclosures.



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

47 Corporate Social Responsibility Contribution.

(₹ in Million)

| Particulars | 2023-24 | 2022-23 |
|--|-------------------|---------------------------|
| Amount required to be spent by the company during the year | 3.61 | 2.24 |
| Amount of expenditure incurred on | | |
| (i) Construction of an Asset | - | - |
| (ii) On purpose other than (i) above | 3.70 | 4.34 |
| shortfall at the end of the year | - | - |
| Total of previous years shortfall | - | - |
| Reason for shortfall | NA | NA |
| Nature of CSR activities | (Refer note 47.1) | Multi Speciality Hospital |
| (Note :47.1 Medical and Health care , Rural Development - Education , Food, Grocery and Cloths Distribution etc..) | | |
| Details of related party transactions in relation to CSR expenditure as per relevant Indian Accounting Standard | - | - |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision | NA | NA |

48 The company has sought balance confirmations from trade receivables and trade payables, wherever such balance confirmations are received by the Company, the same are reconciled and appropriate adjustments if required, are made in the books of account.

49 Certain Quantity of Stock of Stores & Spares and Packing Material are slow Moving /Non Moving however in view of the Management same is realizable And hence no provision for the same is made.

50 Undisclosed Transactions

As stated & confirmed by the Board of Directors, 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).

51 Benami Transactions

As stated & confirmed by the Board of Directors, The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

52 Loan or Investment to Ultimate Beneficiaries

As stated & Confirmed by the Board of Directors, 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:

- 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 to or on behalf of the Ultimate Beneficiaries

53 Loan or Investment from Ultimate Beneficiaries

As stated & Confirmed by the Board of Directors, 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:

Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

- (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

54 Working Capital

As stated and confirmed by the Board of Directors, The Company has been sanctioned working capital facilities during the year under review and inventory records submitted with the banks are in conformity with books of accounts.

55 Willful Defaulter

As stated & Confirmed by the Board of Directors, The company has not been declared willful defaulter by the bank during the year under review.

56 Transactions with Struck off Companies

As stated & Confirmed by the Board of Directors, The company has not undertaken any transactions nor has outstanding balance with the company Struck Off either under section 248 of the Act or under Section 560 of Companies act 1956.

57 Satisfaction of Charge

As stated & Confirmed by the Board of Directors, The company does not have any pending registration or satisfaction of charges with ROC beyond the statutory period.

58 Crypto Currency

As stated & Confirmed by the Board of Directors, The Company has not traded or invested in Crypto Currency or Virtual Currency.

59 Maintenance of books of accounts

The Company has defined process to take daily automatic back-up of books of account maintained electronically and complied with the provisions of The Companies (Accounts) Rules, 2014 (as amended). As per the Ministry of Corporate Affairs (MCA) notification, proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, for the financial year commencing April 1, 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The interpretation and guidance on what level edit log and audit trail needs to be maintained, evolved during the year and continues to evolve. In the company, for maintenance of books of accounts and relevant transactions the audit trail is enabled as on the reporting date of the financial statement.

60 Research & Development

Introduction:

Global competition encourages companies to seek for a more innovative way to survive. More and more complex R&D - based activities are introduced and the managerial approach is extremely important, while R&D by its nature requires special managerial attitude. The benefits include closing the gap between theory and technology.

Problem Statement

In our Single cavity production process we are facing low productivity, higher process cost and low production end of the day. And also not able to meet customers delivery requirements.



Notes forming part of Standalone Financial Statement

for the year ended March 31, 2024

Concept of the Project

To research and develop automatic / semi-automatic process set up to solve above problems. Our main object is:-

1. To increase productivity
2. To save labour cost
3. To reduce process cost
4. To reduce process time

Company is continuously engaged in Research & Development of new product/modification of existing products in which the the Company operates, detail of Expences incurred on Research & Development activities during the year are as under:-
(₹ in Million)

| Particulars | 2023-24 | 2022-23 |
|-------------------------------------|---------------|--------------|
| Raw material | 187.06 | 80.03 |
| salary expense | 4.66 | 2.31 |
| Electricity, Power and Fuel Expnese | 4.10 | 0.57 |
| Providend Fund | - | 0.11 |
| Freight Charges inward | 1.19 | 0.22 |
| TOTAL Rs | 197.01 | 83.24 |

61 Detail of Revenue From Contract with coutomers

(₹ in Million)

| Particulars | 2023-24 | 2022-23 |
|--|-----------------|-----------------|
| Total revenue from contracts with Customers | 5,953.50 | 4,797.30 |
| Less: Significant finanacing component/grant | - | - |
| Add:Cash Discount/rebates/etc | - | 0.11 |
| Total revenue as per Contracted Price | 5,953.50 | 4,797.41 |

62 Since the entity does not have any subsidiaries, the details of its layers same have not been Presented, not applicable

(₹ in Million)

The company has following loans and advances which are given without specifying any terms or period of repayment.

| Type of Borrower | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
|------------------|---|---|
| Promoter | NIL | NIL |
| Directors | NIL | NIL |
| KMPs | NIL | NIL |
| Related Parties | NIL | NIL |

As per our report of even date attached
 For **Pankaj R Shah & Associates**
 Chartered Accountants
 Firm Regn. No. 107361W

CA Nilesh Shah

Partner
 Membership No. - 107414
 UDIN:24107414BJZXCA6186
 Place: Ahmedabad
 Date: 22.05.2024

for and on behalf of Board of Directors of
RATNAVEER PRECISION ENGINEERING LIMITED
 (Formerly Known As **RATNAVEER METALS LIMITED**)
 CIN: L27108GJ2002PLC040488

B. S. Chaplot

Whole Time Director
 DIN: 03539750

Vijay R Sanghavi

Managing Director & CFO
 DIN: 00495922

Swati Sharda

Company Secretary
 Membership No. - A31278
 Place: Vadodara
 Date: 22.05.2024



Registered Office

E-77, GIDC, Savli (Manjusar)
Dist. Vadodara
Gujarat -391 776
Website : www.ratnaveer.com

Corporate Office

703/704, "OCEAN", Vikram Sarabhai
Campus, Vadi Wadi, Vadodara,
Gujarat 390 023



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