



Annual Report 2022-23



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INFORMATION OF THE COMPANY

BOARD OF DIRECTORS

NAME	DESIGNATION	DIN
RAJESHKUMAR RAMKUMAR MITTAL	Managing Director	00878934
PREETI MITTAL RAJESHKUMAR	Director & CFO	01594555
PARAS KUMARPAL SHAH	Independent Director	07438621
SAURIN SHAILESH SHAH	Independent Director	07438637
KIRANKUMAR MUSHADDILAL AGARWAL	Independent Director	08105221
SANJAY SHAH	Company Secretary And Compliance Officer	-

COMPOSITION OF AUDIT COMMITTEE, STOCK HOLDER RELATIONSHIP COMMITTEE & NOMINATION AND REMUNERATION COMMITTEE

PARAS K. SHAH	Chairman
KIRANKUMAR M. AGARWAL	Member
MR. SAURIN S. SHAH	Member

REGISTERED OFFICE

83/84, Village Kamod, Piplaj-Pirana Road, Ahmedabad 382427

E-mail: info@riddhitubes.com

Website: <http://www.riddhitubes.com>

STATUTORY AUDITOR
M/s Jigar Shah and Associates
Chartered Accountants
Ahmedabad

SECRETARIAL AUDITOR
Mr. Rutesh Choksi
Practicing Company Secretary
Ahmedabad

INTERNAL AUDITOR
M/s C. P. SHAH & Co.
Chartered Accountants
Ahmedabad

COST AUDITOR
M/s. Mayur C. Undhad & Co.
Cost Accountants
Ahmedabad

CORPORATE IDENTIFICATION NUMBER (CIN):

L27106GJ2001PLC039978
Scrip Code: RSTL/540082
ISIN : INE367U01013

REGISTRAR & TRANSFER AGENT

KFin Technologies Pvt. Ltd,
Selenium Tower B, Plot 31-32,
Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Telangana, 500 032
Tel: +91-40-67162222
Website: www.kfintech.com
SEBI Registration No: INR000000221

RIDDHI STEEL AND TUBE LIMITED

(CIN: L27106GJ2001PLC039978)

83/84, Village Kamod, Piplaj-Pirana Road, Ahmedabad 382427

Tel. No.– 079-29700922 Website: www.riddhitubes.com Email: Info@riddhitubes.com

NOTICE of 21st Annual General Meeting

NOTICE is hereby given that the 22nd Annual General Meeting of the Company “**RIDDHI STEEL AND TUBE LIMITED**” (CIN: L27106GJ2001PLC039978) will be held on Saturday September 30, 2023 at 05.00 Noon. at the premises of Registered office of the company at 83/84, Village Kamod, Piplaj-Pirana Road, Ahmedabad 382427 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Financial Statements for the Financial Year ended on 31st March, 2023 together with the Reports of the Board of Directors and Auditors thereon.
2. To Re-appoint a Director Mrs. Preeti Mittal (DIN 01594555) who retires by rotation and being eligible offers herself for Re-appointment.

SPECIAL BUSINESS

3. Ratification of Remuneration to Cost Auditor:

To ratify the remuneration of the Cost Auditors for the Financial Year ending on 31st March, 2023 and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to provisions of section 148(3) of the Companies Act, 2013 and Rules made thereunder, approval of the members be and is hereby accorded for the ratification of remuneration of Rs. 22,000/- (Rupees Twenty Two Thousand Only) plus taxes, out-of-pocket, travelling and living expenses payable to M/s. Mayur C. Undhad & Co., Cost Accountants (firm registration no. 103961) appointed by the Board of Directors as Cost Auditor of the Company for the financial year 2023-24.”

For and on behalf of the Board
FOR, RIDDHI STEEL AND TUBE LIMITED

**SD/-
RAJESHKUMAR MITTAL
MANAGING DIRECTOR
(DIN 00878934)**

**Date: September 05, 2022
Place: Ahmedabad**

NOTES:

1. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The Statement setting out material facts pursuant to section 102 of the Companies Act, 2013, which sets out details relating to business for item no. 3 and the relevant details, pursuant to 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed
3. Members, Proxies and Authorised Representatives are requested to carry to the meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and client ID/ Folio No.
4. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company, a certified true copy of the relevant Board Resolution authorizing their representative together with the specimen signature(s) to attend and vote on their behalf at the Meeting
5. In case of Joint-holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The related Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item no. 4 of the Notice, is annexed hereto.
7. The Company's Registrar & Share Transfer Agents (RTA) are:
KFin Technologies Pvt. Ltd,
Selenium Tower B, Plot 31-32,
Financial District,
Nanakramguda, Serilingampally, Hyderabad, Telangana, 500 032
Tel: +91-40-67162222
kishore.bv@kfintech.com Website: www.kfintech.com
All the correspondence with regard to transfer of shares etc. shall be addressed to them directly.
8. The Register of Members and Share Transfer Books will remain closed from 24rd September 2023 to 30th September 2023 (both days inclusive) for the purpose of 21st AGM and enforcement thereof.
9. The Members whose names appear on the Company's Register of Members as on Saturday, 23rd September, 2023 ("cut-off date") will be eligible to attend and vote at the Meeting.
10. As per Notification issued by Ministry of Corporate Affairs dated 19th of March, 2015 with reference to the Companies (Management and Administration) Rules, 2014, Companies covered under Chapter XB and XC as per SEBI (ICDR) Regulation, 2009 will be exempted from E-Voting provisions. Your Company is covered under Chapter XB and listed on SME platform of BSE Limited. Therefore Company is not providing E-Voting facility to its members.
11. Pursuant to the provision of Section 72 of the Companies Act, 2013, members can avail facility for nomination in respect of shares held by them. All the members are holding shares in electronic form are, therefore, requested to contact their respective Depository Participant for availing this facility.

12. Members are requested to bring their copy of Annual Report and the Attendance Slip which is duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No. with them at the Annual General Meeting as a measure of economy as the same will not be supplied again at the meeting.
13. All documents mentioned in the accompanying notice are open for inspection at the registered office of the Company between 10 am to 5 pm on all working days except Saturday and Sunday up to and including the date of this Annual General Meeting.
14. To support the 'Green Initiative' in the Corporate Governance taken by the Ministry of Corporate Affairs, to contribute towards the Greener Environment and to receive all documents, Notices, including Annual Reports and other communications of the Company, investors should register their Email Address with RTA if shares are held in physical mode or with the depository participants if the shares held in electronic mode.
15. Electronic Copy of the Notice of the 22nd Annual General Meeting (AGM) along with Attendance slip, Proxy Form, and Annual report for F.Y. 2022-23, is being sent to all the members whose email ids are registered with the Company/ Depository Participant(s)/ RTA for communication purposes, unless any member has requested for a physical copy of the same.

For members who have not registered their email address, may send request to the Company's investor email id: compliance@riddhitubes.com. Members are requested to please note that all the queries should be given in writing to the company at compliance@riddhitubes.com before 48 hours of the annual general meeting.

16. Members may also note that the notice of the 22nd AGM and the Annual Report for the Financial year 2022-23 will also be available on the Company's website www.riddhitubes.com. The physical copy of the aforesaid documents will be available at the Company's registered office in Ahmedabad for inspection during normal business hours on all working days except Saturday, upto and including the date of AGM.
17. Members are requested to notify any change in their postal/ mail or email address: To their depository participants (DP's) in respect of the shares held in demat form to the Registrar and Share Transfer Agent (RTA), aforesaid mentioned address.
18. Members may please note that no gifts, gift coupons, or cash in lieu of gifts will be distributed at meeting.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company.
20. The Company has appointed CS Rutesh Choksi, Practicing Company Secretary to act as the Scrutinizer for the meeting.
21. The attendance of the Members attending the AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
22. The relevant details, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking appointment or re-appointment as Director under Item No. 3 & 4 of the Notice are provided hereunder;

Name of Director	Mrs. Preeti Mittal
Date of Birth	January 23, 1973
Nationality	Indian
Qualifications	Bachelor of Arts from Kurukshetra University
Expertise in Specific functional areas	She is associated with Company since last 12 years. She has experience in the business and industry and looks after operations of the company.
Disclosure of relationships between directors inter-se;	Mrs. Preeti Mittal is wife of Mr. Rajeshkumar Mittal who is acting in capacity of Managing Director in the Company
Date of Appointment on Board	Original date of appointment as director: 04/07/2002 Date of appointment at current designation as director: 08/01/2016 Date of Designation as CFO: 09/01/2016
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board;	Nil
Memberships/Chairpersonships of committees of Board	No Memberships / Chairmanships of Committees of other Companies
Shareholding in the Company	31,16,004

**Annexure to Notice Explanatory Statement.
(Pursuant to Section 102(1) of the Companies Act, 2013)**

Item No. 3

In terms of the provisions of Section 148 of the Companies Act, 2013 and based on the recommendation of the Audit Committee, the Board of Directors had approved the appointment and remuneration of M/s Mayur C. Undhad & Co., Cost Accountants (Firm Registration No. 103961) as the Cost Auditors of the Company for the financial year 2023-24 at remuneration of Rs.22,000/- (Rupees Twenty Two Thousand only) plus Service Tax & re-imbusement of out-of-pocket expenses for conducting the audit of the cost accounting records of the Company for issuing the compliance report on cost accounting records maintained.

Section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014 ("the Act") requires the Board to appoint an individual, who is a cost accountant in practice or a firm of cost accountants in practice, as cost auditor on the recommendations of the Audit committee, which shall also recommend remuneration for such cost auditor and such remuneration shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders.

Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for audit of cost records of the Company for the financial year 2023-24 as set out in the resolution for the aforesaid services to be rendered by them.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the Resolution set out at Item No. 3 of the Notice for approval by the Members to be passed as an Ordinary Resolution.

FOR RIDDHI STEEL AND TUBE LIMITED

**SD/-
RAJESH KUMAR MITTAL
MANAGING DIRECTOR
(DIN 00878934)**

**Date: September 05, 2023
Place: Ahmedabad**

Directors Report

To,
The Members
Riddhi Steel and Tube Limited
83/84, Village Kamod, Piplaj-Pirana Road,
Ahmedabad - 382427, Gujarat.

Your Directors are pleased to present their 22nd Boards Report with the Audited Financial statements for the year ended on 31st March, 2023.

Financial summary or highlights of performance of the Company:

Particulars	(Amt in Rs. Lacs)	
	2022-23	2021-22
Revenue from Operations	30266.54	30259.65
Other Income	242.99	291.68
Total Income from Operations (Net)	30509.53	30551.34
Profit/(Loss) before Tax and Extra Ordinary Items	480.68	383.52
Less: Extra Ordinary Items	-	-
Less: Current Tax	121.26	116.70
Deferred Tax	19.31	19.02
Prior Period Tax	-	-
Profit/(Loss) After Tax	340.11	242.79
Balance Carried to Balance Sheet	340.11	242.79
Paid up Capital	82902520	82902520
Earnings Per Share	4.10	2.99
Reserves and Surplus	4416.07	4075.96

The total income from operations (net) of the Company for the year under review is Rs. **30509.53 Lacs** as compared to Rs. **30551.54 Lacs** in the previous year. Profit after taxation stood at Rs. **340.11 Lacs** compared to Profit after taxation of Rs. **242.79 Lacs** in the previous year.

Dividend:

With a view to conserve resources and expansion of business, your Directors have thought it prudent not to recommend any dividend for the financial year under review.

Transfer to reserves:

The Company has transferred of Rs. 340.11 Lacs (Profit for the current year) in Reserve and Surplus.

Change In Nature Of Business:

During the year, your Company has not changed its business or object and continues to be in the same line of business as per main object of the Company.

Share Capital:

The Paid up equity capital as on March 31, 2023 was Rs. 8,29,02,520 during the year under review. The Company has not issued any shares with differential rights as to dividend, voting or otherwise.

Deposits:

The Company has neither accepted nor renewed any deposits within the meaning of Companies (Acceptance of Deposits) Rules, 2014.

Directors Responsibility Statement:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2023, the Board of Directors hereby confirms that:

I. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

II. 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 or loss of the Company for that period.

III. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.

IV. The Directors had prepared the annual accounts on a going concern basis and that the directors had laid down internal financial control to be followed by the company and that such internal financial control is adequate and were operating effectively.

V. 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.

Internal Financial Controls

Adequate internal control systems commensurate with the nature of the Company's business, its size, and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

Corporate Social Responsibility (CSR)

Since the Company's net worth does not exceed Rs. 500 crores or Company's turnover does not exceed Rs. 1000 crores or the Company's net profit does not exceed Rs. 5 crore in any financial year, hence the provisions of section 135 of the Companies Act, 2013 are not applicable.

Details of the Directors and Key Managerial Personnel:

During the year under review following were the changes during there was no change in Board of Directors.

DIRECTORS AS ON APRIL 01, 2022	RAJESHKUMAR MITTAL	PREETI MITTAL	PARAS SHAH	SAURIN SHAH	KIRANKUMAR AGARWAL
-	Managing Director	DIRECTOR & CFO	Independent Director	Independent Director	Independent Director
DIRECTORS AS ON MARCH 31, 2023	RAJESHKUMAR MITTAL	PREETI MITTAL	PARAS SHAH	SAURIN SHAH	KIRANKUMAR AGARWAL
-	Managing Director	DIRECTOR & CFO	Independent Director	Independent Director	Independent Director

Further none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013. In accordance with the provisions of Section 152 and other applicable provisions if any of the Companies Act 2013 read with the Companies (Appointment and Qualification of Directors) Rules 2014 (including and statutory modification(s) or re-enactment(s) thereof for the time being in force) Mrs. Preeti Mittal, Director is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, have offered herself for re-appointment.

Independent Directors:

As per Schedule IV of the Companies Act 2013 a separate meeting of Independent Directors without the attendance of Non- Independent Directors to discuss the agenda items as required under the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Independent Directors reviewed the performance of non-independent directors and the Board as whole reviewed the performance of the Chairperson of the Company taking into account the views of executive and non-executive directors and assessed 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. The Independent Directors expressed their satisfaction with overall functioning and implementations of their suggestions. The Company has received necessary declaration from each independent director under Section 149 (7) of the act that they meet the criteria of independence laid down in Section 149 (6) of the act

Meeting of the Company

Regular meetings of the Board are held at least once in a quarter. Additional Board meetings are convened, as and when require,

During the year under review, following meetings were held:

Meeting of Board of Directors: 9 Board Meeting

Meeting of Committees:

1. **Audit Committee Meeting: 5 Meetings**
2. **Nomination and Remuneration Committee: 5 Meetings**
3. **Stakeholder Relationship Committee Meeting: 4 Meetings**
4. **Meeting of Independent Director: 1 Meetings**

Evaluation of Performance of Board:

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Statutory Auditors:

M/s. Jigar Shah and Associates (FRN 128263W) were appointed as the auditors of the company up to the 18th Annual General Meeting (AGM) of the company from the conclusion of 18th AGM till the conclusion of 23rd AGM. The requirement for the annual ratification of the auditor's appointment at the AGM has been omitted pursuant to the Companies (Amendment) Act 2017 made effective from May 07, 2018. During the year, the statutory auditors have confirmed that they satisfy the independence criteria required under the Companies Act 2013 and Code of ethics issued by the Institute of Chartered Accountants of India

The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act 2013.

The Auditors' Report does not contain any qualification reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

Reporting of frauds:

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made there under.

Internal Auditor:

Pursuant to the provision of section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Company has re-appointed M/s C.P. Shah and Co., Chartered Accountants, Proprietor – Chetan P. Shah as an Internal Auditor of the Company for the Financial Year 2023-24 by the Board of Directors, upon recommendation of the Audit committee.

Cost Auditor:

In terms of provisions of Section 148 of the Companies Act, 2013, Mayur Chhaganbhai Undhad, Cost Accountants, Ahmedabad, were appointed as Cost Auditor of the Company for the financial year 2022-23 by the Board as recommended by the Audit Committee and they have offered themselves for reappointment for the Financial year 2023-24. The members are requested in ensuring AGM to ratify the remuneration of the Mayur C Undhad for FY 2023-24.

Annexures to Directors Report:**Management Discussion and Analysis:**

The Management Discussion and Analysis Report on the operations of the Company have been provided in a separate section which forms part of this Annual Report. The report on Management Discussion and Analysis is annexed to this Report as "**Annexure-A**".

Particulars of Employees and Related Disclosures:

Disclosure with respect to remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's Report under "**Annexure – B**", Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5 (2) and 5 (3) of Rules are available at the Registered Office of the Company.

Extracts of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of companies (Management and Administration) Rules, 2014, the extract of Annual Return in the prescribed form

i.e. Form MGT-9 is available at the Registered office of the Company. The Company has also placed a copy of Annual Return of the Company on its website www.riddhitubes.com

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors based on the recommendations of Audit Committee have appointed M/s. R. K. Choksi & Co., a Practicing Company Secretaries in Practice based in Ahmedabad to undertake the Secretarial Audit of the Company for the financial year ended 31st March, 2023 and further the Secretarial Auditor has offered themselves for reappointment for the financial year 2023-24. The Secretarial Audit Report for the financial year 2022-23 does not contain any qualification, reservation or adverse remark except following Observation. The Secretarial Audit Report is annexed here to as "Annexure-C" and forms part of this Report.

Secretarial Auditor's Observations in Secretarial Audit Report:

There is a qualification, reservation or adverse remarks or disclaimer made by the auditors in their report .

Remark	Explanation by Board
Delay in Compliance with Regulation 33 relating to Financial Results (Half Year and Annually)	Company has complied the same by Filling the Financial Result as approved by Board. Company is taking due care and action to comply with the Rules and Regulation in due time.
Delay in Compliance with Regulation 31 relating to Shareholding Pattern	Company has complied the same by Filling the Same. Company is taking due care and action to comply with the Rules and Regulation in due time.
Delay in furnishing prior intimation about the meeting of the board of directors	Company is taking due care and action to comply with the Rules and Regulation in due time.
Non-Compliance with ROC Form Filing	Due to Non-availability of required staff Non Filing happened. However company is taking due action to file pending forms if any

Certificate Of Non-Disqualification Of Directors:

Company is listed under SME listed and Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company. However, there are no directors as on March 31, 2023 who are disqualified under the Companies Act 2013.

Material Changes and Commitments Affecting the Financial Position of the Company:

There are no material changes and commitments affecting the financial position of the company have occurred between the ends of the financial year of the company.

Business responsibility report:

The Business Responsibility Report as stipulated under Regulation 34(2) (f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company for the FY ended 31st March, 2023.

Investor Services:

The Company and its Registrar, M/s. Kfintech Private Limited, who is looking after the physical as well as Demat work and also shareholders correspondence in terms of SEBI direction for having a common Registrar and Share Transfer Agent, endeavored their best to service the Investors satisfactorily. Your Company has constituted a Committee comprising of 3 Independent Directors of the Company to redress the Investor grievances.

Particulars of Contracts and Arrangements with Related Party:

All the transactions entered into with the Related Parties were in ordinary course of business and on arm's length basis. Details of such transactions are given at note number 11. No transactions were entered into by the Company which required disclosure in Form AOC-2.

Subsidiary, Associate or Joint Company:

Your Company does not have any subsidiaries, joint ventures and associate companies.

Vigil Mechanism / Whistle Blower Policy:

The Company has formulated Whistleblower Policy in conformity with the provisions of Section 177 (9) of the Companies Act, 2013 and Listing Regulations to provide a mechanism for any concerned person of the company to approach the Ethics Counselor/ Chairman of the Audit Committee of the Company for the purpose of dealing with instance of fraud and mismanagement, if any and also ensure that whistleblowers are protected from retribution, whether within or outside the organization.

Details of Loan, Guarantee and Investment by the Company:

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

Report on Corporate Governance:

Your Company is listed on SME Exchange, and as on Financial Year ending 31st March 2023, the provisions relation to Corporate Governance is not applicable to the Company under Regulation 15(2)(b) of SEBI (Listing Obligation Disclosure Requirements) Regulation 2015.

Research & Development

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

Prevention of Insider Trading:

In January 2015, SEBI notified the SEBI (Prohibition of insider trading) Regulations, 2015 which came into with effect from 15th May, 2015. Pursuant there to, the Company has formulated and adopted a new Code for Prevention of Insider Trading. The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Directors and the designated employees have confirmed compliance with the Code.

Transfer of Unclaimed Dividend To Investor Education And Protection Fund:

In terms of Section 125 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or re-enactments thereof, there was no unpaid/unclaimed dividend declared paid last year.

Insurance:

The Company has taken adequate insurance cover on all movable and immovable assets to recover various types of risks.

Policies:

The Company has formulated various policies as required under various Rules and Regulations duly approved by the Board.

Risk Management:

Apart from normal business risk, no major risk is foreseen that in the opinion of the Board may threaten the existence of the Company. During the Year, the Board has decided that Audit Committee shall identify risk, assess, monitor, review and report the risk engaged in the business and shall also carry out the role of Risk Management.

Conservation of Energy, Technological Absorption, Foreign Exchange Earnings & Outgo:

(a) Conservation of energy:

- Steps taken/ impact on Conservation of energy,

The Company has continued its efforts to improve energy efficiency from time to time. The Company has already installed Solar Panel at factory to generate and use the electricity in the Factory.

(b) Technology Absorption:

No new technology is absorbed by the company as company is equipped in well manner with all the required technologies and machineries that it requires in order to have smooth functioning of business operations.

(c) Foreign exchange Earnings and Outgo:

- Foreign Exchange earned in terms of actual Inflows during the year - Nil
- Foreign Exchange outgo during the year in terms of actual Outflows – Nil

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company always endeavors to create and provide an environment to its employees and external individuals engaged with the Company that is free from discrimination and harassment including sexual harassment. During the year, under review there were no incidences of sexual harassment reported and received.

Secretarial Standard:

During the year under review the company had complied with SS-1 & SS-2 Secretarial Standard on Meetings of The Board Of Directors & Secretarial Standard on General Meetings respectively.

Disclosures:

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

- I. Details relating to deposits covered under Chapter V of the Act.
- II. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- III. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- IV. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Acknowledgement:

The Board of Directors also wish to place on record their gratitude and appreciation to all the Members and Stakeholders for their trust and confidence shown in the Company.

For Riddhi Steel and Tube Limited

Rajesh Kumar Mittal

Preeti R. Mittal

SD/-

Managing Director

DIN : 00878934

Date: September 05, 2023

Place: Ahmedabad

SD/-

Director & CFO

DIN : 01594555

Date: September 05, 2023

Place: Ahmedabad

Management Discussion and Analysis

Annexure A

SPECIAL NOTE ON CORONAVIRUS PANADEMIC

By end of March 2021, the sudden outbreak of Second Wave of Coronavirus (COVID-19) pandemic has been rapidly spreading throughout the world, including India causing significant disturbance and slowdown of economic activity. Looking at current situation the company does not predict any significant effect of Covid-19 on profitability. The Company is continuously monitoring the situation and taking necessary actions in response to the developments, to minimize the impact on the business of the Company.

***Introduction:**

India was the world's second-largest steel producer with production standing at 111.2 million tonnes (MT) in 2019. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

The Indian steel industry is modern with state-of-the-art steel mills. It has always strived for continuous modernisation of older plants and up-gradation to higher energy efficiency levels.

Indian steel industry is classified into three categories - major producers, main producers and secondary producers.

Market Size:

As of April 2022, India was the world's second-largest producer of crude steel, with an output of 10.14 MT. In FY22, the production of crude steel and finished steel stood at 133.596 MT and 120.01 MT, respectively.

In FY22, the production of crude steel and finished steel stood at 133.596 MT and 120.01 MT, respectively. In FY22, crude steel production in India is estimated to increase by 18%, to reach 120 million tonnes, driven by rising demand from customers. The consumption of finished steel stood at 105.751 MT in FY22. In April 2022, India's finished steel consumption stood at 9.072 MT.

Steel companies are looking to restart expansion projects on the back of burgeoning steel processes with a capacity addition of 29 MT. Between April 2021-January 2022, consumption of finished steel stood at 86.3 MT.

In FY22, demand for steel is expected to increase by 17% to 110 million tonnes, driven by rising construction activities. Tata Steel is planning to set up more scrap-based facilities that will have a capacity of at least a billion tonnes by 2025. Tata Steel in India is also planning to expand its annual capacity from 34 MTPA to 55 MTPA by 2030.

In FY22, exports and imports of finished steel stood at 13.49 MT and 4.67 MT, respectively. In FY22, India's export rose by 25.1% YoY, compared with 2021. India's per capita consumption of steel grew at a CAGR of 4.43% from 46 kgs in FY08 to 74.10 kgs in FY19.

Investments:

The iron and steel industry were included in the high priority list for foreign investment, implying automatic approval for foreign equity participation up to 50%, subject to the foreign exchange and other stipulations governing such investments in general.

Steel industry and its associated mining and metallurgy sectors have seen major investments and developments in the recent past.

According to the data released by Department for Promotion of Industry and Internal Trade (DPIIT), between April 2000 and March 2021, Indian metallurgical industries attracted FDI inflows of US\$ 14.74 billion.

Some of the major investments in the Indian steel industry are as follows:

- In June 2021, Mr. T.V. Narendran, the newly elected CII president and MD of Tata Steel, in an interview with The Telegraph, stated that steel companies have firmed their plans to invest ~Rs. 60,000 crore (US\$ 8.09 billion) over the next three years—this is was the biggest private sector investment plan announced in recent times.
- In June 2021, Shyam Metalics and Energy Ltd. (SMEL) announced that the company is planning to double its production capacity at an estimated investment of ~Rs. 2,894 crore (US\$ 389.72 million) through brownfield expansion at two of its units in the next 3-4 years.
- In April 2021, in a virtual roundtable conference organised by the Indian Chamber of Commerce, Mr. Shin Bongkil, the South Korean Ambassador to India, announced that POSCO, the South Korean steel giant, is planning to set up an integrated steel plant in

Odisha at an investment of US\$ 12 billion, which would make it the country's biggest FDI project.

- In May 2021, JSW Steel signed a Memorandum of Understanding (MOU) to conduct a feasibility study with its strategic alliance partner JFE Steel Corporation to establish a Grain-oriented Electrical Steel Sheet Manufacturing and Sales JV Company in India.
- In May 2021, JSW Steel announced the steel-making expansion at its Vijayanagar plant by 5 MT every year to 17 MT every year by the financial year ending March 2024.
- In March 2021, JSW Steel completed its takeover of debt-ridden Bhushan Power and Steel Ltd., boosting to the former's overall output to 21.5 mtpa. JSW Steel's has 18 mtpa of capacity, which will hit more than 26 mtpa with the addition of BPSL and a doubling of capacity at JSW Steel's Dolvi steel mill to 10 mtpa.
- In March 2021, Arcelor Mittal Steel signed Rs 50,000 crore deal with Odisha government to setup a steel plant in the state.
- In February 2021, Tata Steel BSL collaborated with FarEye, a software logistics firm to improve its digital transformation process.
- In a move towards becoming self-reliant, Indian steel companies have started boosting steel production capacity. To this end, SAIL announced doubling of its at 5 of its steel plants capacity in September 2020.
- In March 2020, Arcelor Mittal Nippon Steel India (AM/NS) acquired Bhandar Power plant in Hazira, Gujarat from Edelweiss Asset Reconstruction Company.
- In February 2020, GFG Alliance acquired Adhunik Metaliks and its arm Zion Steel for Rs. 425 crore (US\$ 60.81 million), marking its entry into the Indian steel market.
- For FY20, JSW Steel set a target of supplying around 1.5 lakh tonnes of TMT Rebars to metro rail projects across the country.
- In December 2019, Arcelor Mittal completed the acquisition of Essar Steel at Rs. 42,000 crore (US\$ 6.01 billion) and formed a joint venture with Nippon Steel Corporation.
- JSW Steel has planned a US\$ 4.14 billion capital expenditure programme to increase its overall steel output capacity from 18 million tonnes to 23 million tonnes by 2020.
- Ministry of Steel plans to invest US\$ 70 million in the eastern region of the country through accelerated development of the sector.
- The production capacity of SAIL is expected to increase from 13 MTPA to 50 MTPA in 2025 with total investment of US\$ 24.88 billion.
- Tata Steel has decided to increase the capacity of its Kalinganagar integrated steel plant from 3 million tonnes to 8 million tonnes at an investment of US\$ 3.64 billion.

Government Initiatives:

Some of the other recent Government initiatives in this sector are as follows:

- In June 2021, Minister of Steel & Petroleum & Natural Gas Mr. Dharmendra Pradhan addressed the webinar on 'Making Eastern India a manufacturing hub with respect to metallurgical industries', organised by the Indian Institute of Metals. In 2020, 'Mission Purvodaya' was launched to accelerate development of the eastern states of India (Odisha, Jharkhand, Chhattisgarh, West Bengal and the northern part of Andhra Pradesh) through establishment of an integrated steel hub in Kolkata, West Bengal. Eastern India has the potential to add >75% of the country's incremental steel capacity. It is expected that of the 300 MT capacity by 2030-31, >200 MT can come from this region alone.
- In June 2021, JSW Steel, CSIR-National Chemical Lab (NCL), Scottish Development International (SDI) and India H2 Alliance (IH2A) joined forces to commercialise hydrogen in steel and cement sectors.
- Under the Union Budget 2020-21, the government allocated Rs. 39.25 crore (US\$ 5.4 million) to the Ministry of Steel. The budget's focus is on creating infrastructure and manufacturing to propel the economy. In addition, enhanced outlays for key sectors such as defence services, railways, and roads, transport and highways would provide impetus to steel consumption.
- In January 2021, the Ministry of Steel, Government of India, signed a Memorandum of Cooperation (MoC) with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India-Japan Steel Dialogue.
- In December 2020, the Minister for Petroleum & Natural Gas and Steel, Mr. Dharmendra Pradhan, has appealed to the scientific community to Innovate for India (I4I) and create competitive advantages to make India 'Aatmanirbhar'.
- In September 2020, the Ministry of Steel prepared a draft framework policy for development of steel clusters in the country.

- On October 1, 2020, Directorate General of Foreign Trade (DGFT) announced that steel manufacturers in the country can avail duty drawback benefits on steel supplied through their service centres, distributors, dealers and stock yards.
- Government introduced Steel Scrap Recycling Policy to reduce import.
- An export duty of 30% has been levied on iron ore^ (lumps and fines) to ensure supply to domestic steel industry.
- Government of India's focus on infrastructure and restarting road projects is aiding the demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.
- The Union Cabinet, Government of India approved the National Steel Policy (NSP) 2017, as it intend to create a globally competitive steel industry in India. NSP 2017 envisage 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31.
- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs. 200 crore (US\$ 30 million).
- The Government of India raised import duty on most steel items twice, each time by 2.5% and imposed measures including anti-dumping and safeguard duties on iron and steel items.

Road ahead:

The National Steel Policy, 2017 envisage 300 million tonnes of production capacity by 2030-31. The per capita consumption of steel has increased from 57.6 kgs to 74.1 kgs during the last five years. The government has a fixed objective of increasing rural consumption of steel from the current 19.6 kg/per capita to 38 kg/per capita by 2030-31.

As per Indian Steel Association (ISA), steel demand will grow by 10% in 2022.

Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

*Source: <https://www.ibef.org/industry/steel.aspx>

Discussion On Financial Performance With Respect To Operational Performance

The Company's financial performance for the year ended 31st March, 2021 is summarized below:

(Amt in Rs. Lacs)

Particulars	2022-23	2021-22
Revenue from Operations	30266.54	30259.65
Other Income	242.99	291.68
Total Income from Operations (Net)	30509.53	30551.34
Profit/(Loss) before Tax and Extra Ordinary Items	480.68	383.52
Less: Extra Ordinary Items	-	-
Less: Current Tax	121.26	116.70
Deferred Tax	19.31	19.02
Prior Period Tax	-	-
Profit/(Loss) After Tax	340.11	242.79
Balance Carried to Balance Sheet	340.11	242.79
Paid up Capital	82902520	82902520
Earnings Per Share	4.10	2.99
Reserves and Surplus	4416.07	4075.96

For Riddhi Steel and Tube Limited

RajeshKumar Mittal

Preeti R. Mittal

SD/-

SD/-

Managing Director

Director & CFO

DIN : 00878934

DIN : 01594555

Date: September 05, 2023

Date: September 05, 2023

Place: Ahmedabad

Place: Ahmedabad

Annexure-B

Information Pursuant To Section 197 Of The Companies Act, 2013 Read With Rule 5(1) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

- I. The ratio of the remuneration of each director to the median employee's remuneration for the Financial year and such other details as prescribed are as given below:

Name	Ratio
Rajesh Ramkumar Mittal (Managing Director)	6.61
Preeti Rajesh Mittal (Chief Financial Officer)	5.95

- II. For this purpose, sitting fees paid to the directors has not been considered as remuneration. The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year

Name	Designation	% of Increase
Rajesh Ramkumar Mittal	Managing Director	No Increase
Preeti Rajesh Mittal	Director / CFO	No Increase

- III. The number of permanent employees on the rolls of company: 24
IV. Comparison of the each remuneration of the KMP against the performance of the Company:

Name	Remuneration of KMP (Rs. Lacs)	Performance of the Company – PAT as on 31st March, 2023 (Rs. lacs)
Rajesh Ramkumar Mittal	7.19 P.A	247.79
Preeti Rajesh Mittal	6.56 P.A	

- V. The key parameters for any variable component of remuneration availed by the directors: There is no variable component in the remuneration of the Key Managerial Personnel.
VI. If remuneration is as per the remuneration policy of the company: Yes

For Riddhi Steel and Tube Limited

RajeshKumar Mittal

Preeti R. Mittal

SD/-

Managing Director

DIN : 00878934

Date: September 05, 2023

Place: Ahmedabad

SD/-

Director & CFO

DIN : 01594555

Date: September 05, 2023

Place: Ahmedabad

Annexure- C
Form No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year ended 31.03.2023
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
RIDDHI STEEL AND TUBE LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RIDDHI STEEL AND TUBE LIMITED** (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my Opinion thereon. Based on my verification of the Company books, papers, 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, I hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on March 31, 2023 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:

I have examined the books, papers, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under.
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
 - 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, 1992.
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - iv. 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.
 - v. Other laws specifically applicable to the company as per the representation given by the Company

Sr. No.	Name of the Act
1	Water(Prevention and Control of Pollution) Act, 1974
2	Air (Prevention and Control of Pollution) Act, 1981
3	Factories Act, 1948
4	The Payment of Wages Act, 1936
5	The Minimum Wages Act, 1948
6	Employees' State Insurance Act, 1948
7	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
8	The Payment of Bonus Act, 1965
9	The Payment of Gratuity Act, 1972
10	The Contract Labour (Regulation & Abolition) Act, 1970

11	The Child Labour (Prohibition & Regulation) Act, 1986
12	The Industrial Employment (Standing Order) Act, 1946
13	The Employee Compensation Act, 1923
14	The Apprentices Act, 1961
15	Equal Remuneration Act, 1976
16	The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Limited (SME Platform) Stock Exchange & provisions 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. I/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. 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, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I Further Report That

Also Company has Failed To Comply With Compliance With Regulation 33, 31 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 of in due time. Also there is Delay in furnishing prior intimation about the meeting of the board of directors to the Stock Exchange. Also Company has not filed certain form as required by the Companies Act, 2013.

I 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.

Date: 5th September, 2023
Place: Ahmedabad

For, R K Choksi & Co.
Company Secretaries

SD/-
Rutesh Choksi
(Proprietor)
FCS NO. : 11694 CP NO. : 17315
Peer Review no.: 3393/2023
UDIN: F011694E000950742

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure – A

To,

RIDDHI STEEL AND TUBE LIMITED

My report of even date is to be read along with this letter.

- I. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit;
- II. I have followed the audit practices and process 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion;
- III. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
- IV. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- V. 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 procedure on test basis;
- VI. 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.

Date: 5th September, 2023
Place: Ahmedabad

For, R K Choksi & Co.
Company Secretaries

SD/-
Rutesh Choksi
(Proprietor)
FCS NO. : 11694 CP NO. : 17315
Peer Review no.: 3393/2023
UDIN: F011694E000950742

INDEPENDENT AUDITOR'S REPORT

To the Members of
RIDDHI STEEL AND TUBE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **RIDDHI STEEL AND TUBE LIMITED** (“the Company”), which comprise the balance sheet as at 31st March 2023, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and according to the information and explanations given to us, the aforesaid Financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit/loss, changes in equity and its cash flows for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. *The Company does not have any pending litigations which would impact its financial position.*
 - 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.*

For, JIGAR SHAH & ASSOCIATES
Chartered Accountants
Firm Reg. No.: 128263W

Date: 31.05.2023
Place: Ahmedabad

SD/-
CA JIGAR M SHAH
Proprietor
M. NO.: 075778
UDIN: 23075778BGVZOX7256

**ANNEXURE A– Report under the Companies (Auditor’s Report) Order, 2016
Referred to in of our report of even date**

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

1. In respect of Fixed Assets:

- (a) 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) The major Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.

2. In respect of Inventories :

- (a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets; quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company;

3. In respect of Loans and Advances granted during the year:

During the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, unsecured, to companies, firms, Limited Liability Partnerships or any other parties:

- (a) During the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity

To WHOM	The Aggregate Amount During the Year	Balance Outstanding at the Balance Sheet Date
parties other than subsidiaries, joint ventures and associates	NIL	NIL
subsidiaries, joint ventures and associates	709.57	2189.72

- (b) According to the information and explanation given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;

- (c) schedule of repayment of the principal amount and the payment of the interest have not been stipulated and hence we are unable to comment as to whether receipt of the principal amount and the interest is regular;
 - (d) According to the information and explanation given to us, no amount is overdue in these respect;
 - (e) According to the information and explanation given to us, in respect of any loan or advance in the nature of loan granted which has fallen due during the year, none has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;
 - (f) The company has granted loans or advances in nature of loans repayable on demand or without specifying any terms or period of repayment of Rs. 709.57 Lacs to parties other than subsidiaries as defined in clause (76) of section 2 of the Companies Act, 2013 which is 100% of total loans granted.
4. According to the information and explanation given to us, the company has complied with requirements of section 185 and 186 in respect of loans, investments, guarantees or security made by it during the year under audit
 5. The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
 6. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's Product/Services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- 7. In respect of statutory dues:**
- (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
 - (b) There are no dues in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.
8. According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- 9. Default in repayment of dues;**
- a. In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - b. Company is not declared wilful defaulter by any bank or financial institution or other lender;
 - c. According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained.
 - d. According to the information and explanation given to us, funds raised on short term basis have not been utilised for long term purposes.
 - e. According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - f. According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10. .IPO/FPO;

- a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

11. Reporting of Frauds;

(a) To the best of our knowledge, any fraud by the Company and any fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, 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 upto the date of this report.

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

12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

13. In our opinion and according to the information and explanations given to us we are of the opinion that all transactions with related parties are in compliance with Section L77 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the Accounting Standards and the Companies Act, 2013.

14. Internal audit system;

(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 issued to the Company during the year.

15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of the holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Act are not applicable.

16. According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) of the Order are not applicable.

17. According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

18. There has been no resignation of the statutory auditors of the Company during the year accordingly, the provisions of clause 3(xviii) of the Order is not applicable.

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, (Asset Liability Maturity (ALM) pattern) 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 exist 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.** The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.

Date: 31.05.2023
Place: AHMEDABAD

FOR, JIGAR SHAH & ASSOCIATES.
CHARTERED ACCOUNTANTS
Firm Reg. No.:128263W

SD/-
CA JIGAR M SHAH
(Proprietor)
M.NO. 075778
UDIN : 23075778BGVZOX7256

**ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF
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 **RIDDHI STEEL AND TUBES LIMITED** as of 31-Mar-2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31-Mar-2023

Date: 31.05.2023
Place: AHMEDABAD

FOR, JIGAR SHAH & ASSOCIATES.
CHARTERED ACCOUNTANTS
Firm Reg. No.: 128263W

SD/-
(CA JIGAR M SHAH)
PROPRIETOR
M.NO. 075778
UDIN: 23075778BGVZOX7256

STANDALONE BALANCE SHEET
As at March 31, 2023

Amt in Rs. Lacs.

Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
<u>EQUITY AND LIABILITIES</u>			
(1) Shareholders' Funds			
(a) Share Capital	1	829.03	829.03
(b) Reserves & Surplus	2	4,416.07	4,075.96
(2) Share Application Money Pending Allotment			
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	4,417.37	5,431.28
(b) Deferred Tax Liabilities (Net)		57.07	37.75
(4) Current Liabilities			
(a) Short-Term Borrowings	4	7,586.89	7,156.94
(b) Trade Payables	5	639.95	1,078.89
(c) Other Current Liabilities	6	217.57	316.01
(d) Short-Term Provisions	7	148.10	116.70
Total		18,312.04	19,042.57
<u>II ASSETS</u>			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	8	2,570.14	2,750.86
(ii) Intangible Assets			
(iii) Capital Work in Progress	8(A)	-	-
(2) Current Assets			
(a) Inventories	9	6,193.82	6,193.12
(b) Trade Receivables	10	6,234.28	4,901.61
(c) Cash and Cash Equivalents	11	308.55	237.32
(d) Short-Term Loans and Advances	12	3,005.26	4,959.67
Total		18,312.04	19,042.57
Significant Accounting Policies	20		
Additional Notes to Financial Statement	21		

As per our report of even date attached
For, Jigar Shah & Associates
Chartered Accountants
Firm Registration No : 128263W

SD/-
Jigar Shah
Membership No.: 075778
UDIN: 22075778AJXPUA4350
Place: Ahmedabad
Date: 31/05/2023

For and on behalf of the Board

SD/-
Rajeshkumar R Mittal
Managing Director
DIN:00878934
Place: Ahmedabad
Date: 31/05/2023

SD/-
Preeti R Mittal
Director & CFO
DIN:01594555
Place: Ahmedabad
Date: 31/05/2023

SD/-
Sanjay Shah
Company Secretary
Place: Ahmedabad
Date: 31/05/2023

STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2023

Amt in Rs. Lacs.

Particulars	Note No.	For the year ended 31.03.2023	For the year ended 31.03.2022
(I) REVENUE			
Revenue from Operations	13	30,266.54	30,256.65
Other Income	14	242.99	291.68
(II) Total Revenue		30,509.53	30,551.34
(III) EXPENSES			
Cost of Material Consumed	15	26,665.35	27929.99
(Increase) / Decrease in Stock	16	597.33	(1,053.25)
Employee Benefits Expense	17	236.25	262.87
Financial Charges	18	1,160.08	1,141.36
Administrative and Selling Expenses	19	1,051.74	1,481.32
Depreciation and Amortisation expense	8	317.99	405.52
(IV) Total Expenses		30,028.55	30,167.82
(V) Prior Period Items			
(VI) Profit / (Loss) Before Exceptional items and Tax (II-IV)		480.68	383.52
(VII) Exceptional items		-	-
(VIII) Profit/(Loss) before Taxes - PBT (VI-VII)		480.68	383.52
(IX) Tax Expense:			
Current tax		121.26	116.70
Deferred tax		19.31	19.02
Prior Income Tax			
(X) Profit/(Loss) for the period after tax		340.11	247.79
(XI) Earnings per share			
- Basic EPS		4.10	2.99
- Diluted EPS		4.10	2.99
- Nominal value of shares		10.00	10.00
Significant Accounting Policies	20		
Additional Notes to Financial Statement	21		

As per our report of even date attached
For, Jigar Shah & Associates
Chartered Accountants
Firm Registration No : 128263W

SD/-
Jigar Shah
Membership No.: 075778
UDIN: 22075778AJXPUA4350
Place: Ahmedabad
Date: 31/05/2023

For and on behalf of the Board

SD/-
Rajeshkumar R Mittal
Managing Director
DIN:00878934
Place: Ahmedabad
Date: 31/05/2023

SD/-
Preeti R Mittal
Director & CFO
DIN:01594555
Place: Ahmedabad
Date: 31/05/2023

SD/-
Sanjay Shah
Company Secretary
Place: Ahmedabad
Date: 31/05/2023

CASH FLOW STATEMENT

Cash Flow Statement for the year ended on March 31,2023

Amt in Rs. Lacs.

Particulars	Note	For The Year ended 31st	For The Year ended 31st
		March 31,2023	March 31,2022
		Rupees	Rupees
Cash Flows From Operating Activities			
Net Profit/(Loss) before Tax		480.68	383.52
Adjustments for:			
Depreciation & Amortisation		317.99	405.52
Finance Charges		1,160.08	1141.36
Profit on Sale of Property, Plant & Equipments			
Interest Income		(234.60)	(290.20)
Operating Profit/(Loss) before Working Capital Changes		1724.16	1640.21
Movement in Working Capital:			
(Increase)/Decrease in Inventories		(0.69)	(761.59)
(Increase)/Decrease in Trade Receivables		(1,332.67)	(31.30)
(Increase)/Decrease in Short Term Loans and Advances		1,954.40	(1,539.49)
Increase/(Decrease) in Trade Payables		(438.94)	(222.20)
Increase/(Decrease) in Other Current Liabilities		(98.45)	160.20
Increase/(Decrease) in Short Term Provisions		31.40	42.07
Increase/(Decrease) in Short Term Borrowing			
Direct Taxes Paid (Advance Tax & TDS)		(121.26)	(116.70)
Net cash flow from/(used in) operating activities	(A)	1,717.95	(828.81)
Cash Flows From Investments Activities			
Purchase of Fixed Assets (Property, Plant & Equipment)		(137.27)	(194.89)
Proceeds From Sale Of Fixed Assets		-	-
Interest Income		234.60	290.20
Net cash flow from/(used in) investing activities	(B)	97.32	95.31
Cash Flows From Financing Activities			
Proceeds from Equity Share Capital		-	-
Proceeds from Long Term Borrowings (Net)		(1,013.91)	(1,423.37)
Proceeds from Short Term Borrowings		429.94	3,359.40
Finance Cost		(1,160.08)	(1,141.36)
Net cash generated/ (used in) financing activities	(C)	(1,744.04)	794.66
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	71.23	61.16
Cash and cash equivalents at beginning of the year		237.32	176.16
Cash and cash equivalents at end of the year		308.55	237.32
Notes:			
Components of cash and cash equivalents:		As at	As at
		March 31,2023	March 31,2022
Cash on hand		3.26	9.38
Balances with banks:			
In current account		-	-
In deposit accounts		305.29	227.93
Cash and Cash Equivalents		308.55	237.32

(ii) The cash flow statement has been prepared under indirect method as per Accounting Standard -3 "Cash Flow Statement" notified in Companies (Accounting Standards) Rules, 2006.

(iii) Figures in brackets represent outflows.

As per our report of even date attached

For, Jigar Shah & Associates
Chartered Accountants
Firm Registration No : 128263W

SD/-
Jigar Shah
Membership No.: 075778
UDIN: 22075778AJXPUA4350
Place: Ahmedabad
Date: 31/05/2023

For and on behalf of the Board

SD/-
Rajeshkumar R Mittal
Managing Director
DIN:00878934
Place: Ahmedabad
Date: 31/05/2023

SD/-
Preeti R Mittal
Director & CFO
DIN:01594555
Place: Ahmedabad
Date: 31/05/2023

SD/-
Sanjay Shah
Company Secretary
Place: Ahmedabad
Date: 31/05/2023

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

NOTE NO. 01 - SHARE CAPITAL

Amt in Rs. Lacs.

Particulars	As at 31.03.2023		As at 31.03.2022	
Authorised Shares				
85,00,000 Equity Shares of Rs.10/- each	8,50,00,000	850.00	8,50,00,000	850.00
Issued, Subscribed and Paid up shares				
82,90,252 Equity Shares of Rs.10/- each fully paid up	8,29,02,520	829.03	8,29,02,520	829.03
a. Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period:				
	Nos.	Rupees	Nos.	Rupees
Equity Shares:				
At the beginning of the period	8,29,02,52	829.03	8,29,02,52	829.03
Shares Issued during the year as fully paid	-	-	-	-
Outstanding at the end of the period	8,29,02,52	829.03	8,29,02,52	829.03

b. Details of Shareholders holding more than 5% shares in the company:

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	%	No. of Shares	%
Equity Shares of Rs.10/- each fully paid				
Mr. Rajesh R Mittal HUF	5,46,502	6.59%	5,46,502	6.59%
Smt. Preeti R. Mittal	31,16,004	37.59%	31,13,004	37.55%
Mr. Rajat R Mittal	14,29,538	17.24%	14,29,538	17.24%
Mr. Rajesh R Mittal	5,82,350	7.02%	5,79,350	6.99%
Mr. Mayur B Patel	4,23,000	5.10%	4,23,000	5.10%

C. Details of Equity Share Held by Promoters:

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	%	No. of Shares	%
Equity Shares of Rs.10/- each fully paid				
Mr. Rajesh R Mittal HUF	5,46,502	6.59%	5,46,502	6.59%
Smt. Preeti R. Mittal	31,16,004	37.59%	31,13,004	37.55%
Mr. Rajat R Mittal	14,29,538	17.24%	14,29,538	17.24%
Mr. Rajesh R Mittal	5,82,350	7.02%	5,79,350	6.99%
Mr. Riddhi Rajesh Patel	3,41,238	4.12%	3,41,238	4.12%

NOTE NO. 02 - RESERVES & SURPLUS

Amt in Rs. Lacs.

Particulars	As at 31.03.2023		As at 31.03.2022	
Share Premium				
Balance as per the last financial statement		790.20		790.20
Add: Amount transferred to share premium account		-		-
Less: Amount transferred From share premium account		-		-
Closing Balance		790.20		790.20
Surplus / (deficit) in the Statement of Profit and Loss				
Balance as per the last financial statement		3285.76		3037.97
Add: Profit for the period		340.11		247.79
Less: Depreciation in respect of Assets whose useful life is over				

Add: DTA in respect of Assets whose useful life is over		
Closing Balance	3625.87	3285.76
Total of Reserves and Surplus	4416.07	4075.96

NOTE NO. 03 - LONG TERM BORROWINGS		Amt in Rs. Lacs..	
Particulars	As at 31.03.2023	As at 31.03.2022	
Secured Loan:			
From Term Loan Account	3156.93	3794.16	
From Axis Finance	360.40	390.19	
From Shri Ram City Union Finance	0	172.36	
From ICICI Bank Loan	2.04	4.52	
From HDFC Bank Loan	24.70	40.54	
	3554.08	4401.76	
Unsecured Loan:			
From Directors	655.13	745.22	
From Shareholders, Relative & Others	218.17	284.29	
	873.29	1029.52	
Total	4417.37	5431.28	

NOTE NO. 4 SHORT TERM BORROWINGS		Amt in Rs. Lacs.	
Particulars	As at 31.03.2023	As at 31.03.2022	
Secured Loan:			
From Bank Cash Credit A/C (Secured against Movable And Immovable Property & Personal guarantee of Promoters.)	7586.89	7156.94	
Total	7586.89	7156.94	

NOTE NO. 05 - TRADE PAYABLES		Amt in Rs. Lacs.	
Particulars	As at 31.03.2023	As at 31.03.2022	
Creditors For Goods & Expenses	551.35	875.88	
Creditors For Capital Goods	88.60	203.01	
Total	639.95	1078.89	

NOTE NO. 06 - OTHER CURRENT LIABILITIES		Amt in Rs. Lacs.	
Particulars	As at 31.03.2023	As at 31.03.2022	
Advance From Customers	175.60	295.03	
Statutory Liabilities	20.15	18.89	
Other Liabilities	21.82	2.09	
Total	217.57	316.01	

NOTE NO. 07 - SHORT TERM PROVISIONS		Amt in Rs. Lacs.	
Particulars	As at 31.03.2023	As at 31.03.2022	
Provision For Income Tax	130.76	116.70	
Unpaid Expenses	17.34	0	
Provision For Bonus and Leave	-	-	
Total	148.10	116.70	

NOTE NO. 08 : TANGIBLE ASSETS:

Amt in Rs. Lacs.

Sr · N o.	Particulars	Cost				Depreciation				Net Book Value	
		As at 01.04.2022	Additions	Del eti on s	As at 31.03.2023	Up to 31.03.2022	For the year	Depreci ation in respect of Assets whose useful life is over	Up to 31.03.2023	As at 31.03.2023	As at 31.03.202 2
1	Factory Building	859.09	8.04	-	867.13	518.76	27.46	-	546.22	320.91	340.33
2	Furnitures & Fixtures	8.72	-	-	8.72	8.04	0.10	-	8.14	0.58	0.68
3	Plants & Machineries	4780.19	78.10	10.00	4848.29	2794.51	235.47	-	3029.98	1818.31	1985.68
4	Cooling Set	1.71	-	-	1.71	1.48	0.08	-	1.56	0.15	0.23
5	Office Equipments	14.86	0.76	-	15.62	13.37	0.64	-	14.01	1.61	1.49
6	Electrical Fittings	97.01	-	-	97.01	93.66	0.73	-	94.39	2.62	3.35
7	Computer & Peripherals	30.74	2.33	-	33.07	19.83	6.11	-	25.94	7.13	10.91
8	Motor Cars	250.86	-	-	250.86	178.35	24.17	-	202.52	48.34	72.51
9	Air Conditioners	43.79	5.29	-	49.08	16.70	8.04	-	24.74	24.34	27.09
10	Scooter	4.47	-	-	4.47	4.21	0.24	-	4.45	0.03	0.27
11	Crane	96.65	-	-	96.65	81.92	4.59	-	86.51	10.14	14.73
12	Roll Set	32.65	-	-	32.65	28.67	1.55	-	30.22	2.44	3.99
13	office Building	243.53	52.76	-	296.29	81.04	8.81	-	89.85	206.45	162.50
14	Land	127.11	-	-	127.11	-	-	-	0.00	127.11	127.11
	TOTAL	6591.39	147.27	10.00	6728.66	3840.53	317.99	-	4158.52	2570.14	2750.86

NOTE NO. 08(A) : CAPITAL WORK IN PROGRESS:

Sr. No.	Particulars	Rate	Cost			Depreciation			Net Book Value	
			As at	Additions	Deletions	As at	Up to	For	Up to	As at

			01.04.2022			31.03.2023	31.03.2022	the year	Deductions	31.03.2023	31.03.2023	31.03.2022
1	Factory Building	N.A.	0	-	-	0					0	0
2	Plant & Machinery	N.A.	0	-	-	0					0	0
3	Office Building	N.A.	0	-	-	0					0	0
	TOTAL		0	-	-	0					0	0

NOTE NO. 09 – INVENTORIES

Particulars	Amt in Rs. Lacs.	
	As at 31.03.2023	As at 31.03.2022
Raw material	2,226.94	1,628.91
Semi Finished Goods(Including Scrap)	742.74	636.73
Finished Stock	3,224.13	3,927.48
Total	6,193.82	6,193.12

NOTE NO. 10 - TRADE RECEIVABLES

Particulars	Amt in Rs. Lacs.	
	As at 31.03.2023	As at 31.03.2022
Sundry Debtors	6,234.28	4,901.61
Total	6,234.28	4,901.61

NOTE NO. 11 - CASH AND CASH EQUIVALENTS

Particulars	Amt in Rs. Lacs.	
	As at 31.03.2023	As at 31.03.2022
Cash on Hand:		
Cash on hand	3.26	9.38
Balances with Banks:		
On Current Account With Banks:	-	0
In Fixed Deposit	305.29	227.93
Total	308.55	237.32

NOTE NO. 12 - SHORT TERM LOANS AND ADVANCES

Particulars	Amt in Rs. Lacs.	
	As at 31.03.2023	As at 31.03.2022
Security Deposit (Unsecured, Considered good):		
Torrent Power	31.87	31.87
Electricity Deposits (B)	8.89	8.89
BSE Deposits	10.86	10.86
Tender Deposits	8.68	8.68
Other deposits		0.00
Balances With Government Authority:	98.32	94.93
TDS & TCS Receivables	-	5.31
Service Tax Receivable	-	6.82
Excise Duty	174.35	174.35
Income Tax	134.21	514.09
GST Tax Receivable	12.45	0.11
Value Added Tax Receivable	31.87	31.87
Other Loans and Advances (Unsecured, Considered good):		
Advances to Suppliers	114.93	347.90
Advances for Capital Goods	11.70	20.49
Advances to Staff	19.66	15.06
Interest Receivable (Torrent Power) and FDR	1.48	1.37
Prepaid Insurance	-	1.36
Prepaid Processing Charges	22.17	38.03
Prepaid Legal Exps.	16.25	21.70
Trade Discount Receivable	138.15	237.98
L.C Margin and Interest Receivable	0.00	1.42
IGST Refund Receivable	2.21	2.21
Loans & Advances	2195.19	3401.82
Prepaid Stamp Charges	3.88	14.40
Total	3005.26	4959.67

NOTE NO. 13 - REVENUE FROM OPERATION**Amt in Rs. Lacs.**

Particulars	2022-23	2021-22
Sale of Products:		
Net Sales (Domestic):	25,690.42	25,991.26
	25,690.42	25,991.26
Add:		
Excise Duty		
Value Added Tax/Central Sales Tax/GST Tax	4,576.12	4,268.40
Total	30,266.54	30,259.65

NOTE NO. 14 - OTHER INCOME**Amt in Rs. Lacs.**

Particulars	2022-23	2021-22
Interest Income	234.60	290.20
Vat Refund/Margin Money Refund/GST	-	1.48
Other Income	8.39	-
Total	242.99	291.68

NOTE NO. 15 - COST OF MATERIAL CONSUMED**Amt in Rs. Lacs.**

Particulars	2022-23	2021-22
Raw Material		
Opening Stock	1,628.91	1,920.57
Add: Purchase	27,263.38	27,638.32
Less: Closing Stock	2,226.94	1,628.91
Total	26,665.35	27,929.99

NOTE NO. 16 - INCREASE/(DECREASE) IN STOCK**Amt in Rs. Lacs.**

Particulars	2022-23	2021-22
Opening Stocks of Semi Finished Goods	636.73	218.46
Less: Closing Stock of Semi Finished Goods (Including Scrap)	742.74	636.73
	(106.01)	(418.27)
Opening Stocks of Finished Goods	3,927.48	3,292.50
Less: Closing Stock of Finished Goods	3,224.13	3,927.48
	703.35	(634.98)
Total	597.33	(1,053.25)

NOTE NO. 17 - EMPLOYEE BENEFITS EXPENSE**Amt in Rs. Lacs.**

Particulars	2022-23	2021-22
Salary and Bonus and Leave	210.98	225.84
Staff Welfare Expense	10.34	21.29
Contribution to PF, EPF, ESIC, Etc.	1.28	1.94
Remuneration to Directors	13.75	13.80
Total	236.25	262.87

NOTE NO. 18 - FINANCIAL CHARGES**Amt in Rs. Lacs.**

Particulars	2022-23	2021-22
Interest Expenses		
Interest On Term Loan	319.06	313.72

Interest On Bank OD	705.19	621.93
Interest On Depositors & Bill Discounted And Others	112.51	138.97
Other Borrowing Cost		
Bank Charges, Commission and Processing Charges	23.32	66.74
Total	1160.08	1141.36

NOTE NO. 19 - ADMINISTRATIVE AND SELLING EXPENSES

Amt in Rs. Lacs.

Particulars	2022-23	2021-22
Audit Fees	1.76	2.14
ISO Audit exp.	1.89	-
Advertisement Charges	1.32	0.20
Commission On Sales	13.26	9.42
Donation Exp	0.86	17.29
Misc.Expenses	65.48	124.10
Export Expenses	2.39	0.43
Electrical exp.	1.92	
Demrage Charges	0.16	2.21
Loading & Unloading Charges	3.82	7.46
Transport Charges	136.97	468.75
Power Consumption	228.61	246.43
Wages Charges	-	0.36
Interest on IT,Cst,Vat,Tds,GST & Other	0.82	27.77
Income Tax Expenses	-	0.61
Insurance Expenses	9.38	10.92
Lease Rent	2.02	0.43
Legal & Professional Fees	102.11	49.10
Licence fee	1.81	-
Security Charges	13.97	16.37
Labour Charges	65.21	61.41
Labour contract Charges	302.82	332.02
Municipal Tax	6.93	7.30
Membership charge	17.26	-
Petrol Expenses and Conveyance	9.91	9.82
Postage & Courier Expenses	0.23	1.26
Printing & Stationary Expenses	0.78	0.77
Prior Period Exp.	8.52	-
Repair & Maintance	17.63	43.24
Stamping Expenses	10.52	29.65
Telephone Expenses	1.00	1.17
Testing Fees	0.04	0.17
Travelling Expenses	13.07	10.14
Listing Fees	0.33	0.37
Turnover Discount	8.76	-
Valuation charge	0.22	-
Total	1051.74	1481.32

20. SIGNIFICANT ACCOUNTING POLICIES

A. CORPORATE INFORMATION:

Riddhi Steel & Tube Limited ('the Company') is a listed limited Company incorporated in India. The registered office of the Company is located at 83/84, Village-Kamod, Piplaj, Pirana Road, Aslali, Ahmedabad - 382 427, Gujarat, India. The Company is engaged in activity of manufacturing/dealing/trading of Steel and tube pipes.

B. SIGNIFICANT ACCOUNTING POLICIES

(i).BASIS OF PREPARATION:

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis, the Companies (Accounting Standards) Amendment Rules 2016 and the relevant provisions of the Companies Act, 2013. Accounting Policies have been consistently applied by the company.

(ii). USE OF ESTIMATES:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statement are prudent and reasonable. Future results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

(iii). INVENTORY:

Inventories are valued as under;

- a) Finished goods at cost including production overheads.
- b) Packing Materials and Work In Progress at cost.

All the duties and taxes have been considered while valuing the inventory, in accordance with provisions of section 145A of the Income Tax Act, 1961.

(iv). REVENUE RECOGNITION:

In appropriate circumstances, revenue is recognized on accrual basis when no significant uncertainty as to determination or realization exists.

Sales are accounted for on gross sales including excise duty & value added Tax.

Sales are accounted on dispatch of goods from the company premises.

All the items of expenses and income are accounted on accrual basis.

(v). PROPERTY, PLANT AND EQUIPMENTS AND DEPRECIATION:

All Property, Plant and Equipment are valued at cost less depreciation / amortization. Tangible property, plant and equipments are stated at cost of acquisition includes inward freight, non-refundable duties, taxes and other directly attributable incidental expenses, net of Input Tax Credit and value added tax. Depreciation is provided as per the Written Down Value Method on the basis of useful life specified in the schedule II of the Companies Act, 2013.

(vi). EMPLOYEE BENEFITS:

Short – Term Employee Benefits:

Bonus:

The Company has provided for Bonus, payable to its employees, for their services rendered during the year, as per the Company's rules and policy, on an undiscounted basis.

(vii). BORROWING COST:

Borrowing Cost relating to acquisition, construction of fixed assets or production of qualifying assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to period till such assets are ready to be put to use . Other borrowing Cost are recognized as an expense in the period in which these are incurred.

(viii). SEGMENT REPORTING:

In terms of AS-17 on "Segment Reporting" the company neither has more than one business segment nor more than one geographical segment requiring separate disclosures as there are no more distinguishable component or economic environments of the enterprise engaged in providing individual product or service or a group of related products or services and the same are not subjected to different risks and returns either of business or geographical segments.

(ix). EARNING PER SHARE:

The 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. The basic and diluted EPS are same as the company has no potential Equity shares.

(x). RELATED PARTY TRANSACTION:

Disclosure of transactions with Related Parties, as required by "Accounting Standard 18-Related Party Disclosure" has been set out in the Notes on Financial Statements. Related Parties have been identified on the basis of representations made by key managerial personnel and information available with the Company.

(xi). TAXES ON INCOME:

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized if there is virtual certainty that sufficient future taxable income will be available against which such assets can be realized. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed at each Balance sheet date to reassess realization. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

(xii). PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements.

21. ADDITIONAL NOTES TO FINANCIAL STATEMENTS:

21.1 CONTINGENT LIABILITIES NOT PROVIDED FOR:

There are no contingent liabilities which are not provided for.

21.2 EARNINGS PER SHARE (EPS):

Weighted Average No. Of Equity shares. (Weighted Average is calculated on day basis)	82,90,252
Profit after tax for the year (Rs)	3,40,10,513
Earning per share (Rs.)	4.10

21.3 In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

21.4 Balances of Debtors, Creditors and Loans & Advances are subject to confirmation. Adjustments, if any, will be made at the time of reconciliation of accounts. The confirmation in respect of sundry creditors has been called for during the year.

21.5 RELATED PARTY TRANSACTIONS:

List of Related Party with whom transaction were effected during the year :

Sr. No.	Name	Relation
1	Rajesh R. Mittal	Key Managerial Person
2	Preeti R. Mittal	Key Managerial Person
3	Rajat R. Mittal	Relative of Key Managerial Person

Details of Related Party Transactions:

Particulars	2022-23	2021-22
Loans Accepted/(Repaid):		
Rajesh R. Mittal	17896500	26451455
Rajesh R. Mittal	(25870625)	(54398886)
Preeti R. Mittal	18299500	22722100
Preeti R. Mittal	(22655552)	(75084869)
Rajat R. Mittal	370000	Nil
Rajat R. Mittal	(2870000)	Nil
Interest :		
Rajesh R. Mittal	1,56,647	12,30,344
Preeti R. Mittal	34,85,370	50,51,910
Rajat R. Mittal	Nil	Nil
Remuneration		
Rajesh R. Mittal	718605	720000
Rajat R. Mittal	Nil	Nil
Preeti R. Mittal	656452	660000
Salary		
Rajat R. Mittal	1080000	Nil
Rent Paid		
Rajesh R. Mittal	Nil	Nil

21.6 LEASE:
Operating Lease Details:

Sr. No.	Particulars	Details
1.	Land at Ahmedabad	24ThApril, 2002
	Period of Lease Agreement	30 Years
	Total Lease Rent p.a.	Rs. 43000 /-

21.7 Previous year's figures have been regrouped / reclassified to make them comparable with those of the current year, wherever necessary.

21.8 Figures have been rounded off to the nearest rupees.

SIGNATURES TO NOTES 1 TO 21

As per our report of even date attached

As per our report of even date attached

For, Jigar Shah & Associates

Chartered Accountants

Firm Registration No : 128263W

For and on behalf of the Board

SD/-

Jigar Shah

Membership No.: 075778

UDIN: 22075778AJXPUA4350

Place: Ahmedabad

Date: 31/05/2023

SD/-

Rajeshkumar R Mittal

Managing Director

DIN:00878934

Place: Ahmedabad

Date: 31/05/2023

SD/-

Preeti R Mittal

Director & CFO

DIN:01594555

Place: Ahmedabad

Date: 31/05/2023

SD/-

Sanjay Shah

Company Secretary

Place: Ahmedabad

Date: 31/05/2023

- 22.** Title deeds of immovable Property are held in name of the Company, there is no such property whose title is not in the name of Company.
- 23.** The Company has not revalued its Property, Plant and Equipment, hence the requirement that the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable to the company.
- 24.** The Company has not granted any Loans or Advances in the nature of loans to Promoters, Directors, KMP's and related parties which are repayable on demand or given without specifying terms or period of repayment.
- 25.** The Company does not hold any Benami Property under the Benami Transactions (Prohibitions) Act, 1988.
- 26.** The Company has borrowings from banks or financial institutions on the basis of current assets
 - (a) During the course of audit, no differences were observed between the books and the quarterly returns or statements of current assets filed by the Company with banks or financial institutions.
 - (b) No material discrepancies were observed hence the requirement to disclose the summary of reconciliation and reasons of material discrepancies does not arise.
- 27.** The company is not declared as wilful defaulter by any bank or financial institution or other lender.
- 28.** The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 29.** All the Charges towards assets of the Company are satisfactorily registered with Registrar of Companies.
- 30.** No scheme of arrangement is approved for the company.
- 31.** Borrowed funds has been utilized for the purpose for which the funds were borrowed by the company. The Company has not issued shares at premium.
- 32.** The Company has not traded or invested in Crypto Currency or Virtual Currency.