

REMI GROUP

REMI EDELSTAHL TUBULARS LTD.

REGD. OFFICE :

REMI HOUSE, 11 CAMA INDL. ESTATE,
GOREGAON (E), MUMBAI-400 063. INDIA

TELEPHONE : +91-22-40589888 / 26851998

FAX : +91-22-26852335 / 26853868

E-MAIL : remigroup@bom4.vsnl.net.in

WEBSITE : www.remigroup.com

CIN:L28920MH1970PLC014746

August 29, 2019

To
The General Manager – Dept. Corporate Services,
Bombay Stock Exchange Limited,
25th Floor, P. J. Tower, Dalal Street,
Mumbai – 400 001


Scrip Code: 513043

Sub : Annual Report for the Financial Year 2018-19

Dear Sirs,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report of the Company for the Financial Year 2018-19.

Yours faithfully,
FOR REMI EDELSTAHL TUBULARS LIMITED


RISHABH R. SARAF
MANAGING DIRECTOR



Encl.: a/a



REMI GROUP

REMI EDELSTAHL TUBULARS LIMITED



Stainless Steel Welded and Seamless Pipes & Tubes



**Wind Power
Promoting Green Energy**

**48th Annual Report
2018-2019**

| | | |
|----------------------------|-----------------------------|----------------------|
| Board of Directors: | Shri. Vishwambhar C. Saraf | Chairman |
| | Shri. Rishabh R. Saraf | Managing Director |
| | Shri. Rajendra C. Saraf | Director |
| | Shri. Shankar Lal Jain | Director |
| | Shri. Kamal Kumar Dujodwala | Independent Director |
| | Shri. Gopikishan Biyani | Independent Director |
| | Shri. Sandeep Shriya | Independent Director |
| | Smt. Anita Bhartiya | Independent Director |

Chief Financial Officer: Shri Vinod C. Jalan

Company Secretary: Ms. Shriya Shah

Bankers: STATE BANK OF INDIA

Auditors: Shri. Yatin Kumar Shah
Chartered Accountant,
903, Arcadia, 195,
N.C.P.A. Road,
Mumbai- 400 021

Registered Office: REMI HOUSE
Plot No.11, Cama Industrial Estate,
Goregaon (East), Mumbai – 400 063
Ph.: 022-40589888,
Fax: 022-26852335

CIN: L28920MH1970PLC014746

Works: (1) Plot No. N-211/1,
M.I.D.C., Tarapur,
Maharashtra
(2) Village Brahmanwel,
Taluka Sakri, District Dhule,
Maharashtra

NOTICE

To

The Members,

REMI EDELSTAHL TUBULARS LIMITED

NOTICE is hereby given that the 48th Annual General Meeting of the Company will be held at the Company's Registered Office, Remi House, Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai – 400 063, on **Monday, the 30th September, 2019**, at 10.30 A.M. to transact the following business:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the reports of the Board of Directors and the Auditors thereon;
2. To re-appoint Shri Rajendra C. Saraf (DIN:00161412) as Director, who retires by rotation.

Special Business - Special Resolutions:

3. To ratify the remuneration of Cost Auditors.

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time, remuneration payable to M/s Kejriwal & Associates, Cost Accountants, appointed by the Board of Directors as Cost Auditors of the Company for the year 2019-20, to conduct the audit of the cost records of the Company, on a remuneration of Rs.60,000/- (Rupees Sixty thousand only) be and is hereby ratified and confirmed.”

4. To approve appointment of Shri Mahendra Chirawawala (DIN:00340658), as an Independent Director of the Company.

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013, the Rules framed thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for appointment of Shri Mahendra Chirawawala (DIN:00340658), as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a term of 5 (Five) consecutive years on the Board of the Company with effect from 30th September, 2019.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

5. To approve re-appointment of Shri Gopikishan Biyani (DIN:00005775) as an Independent Director of the Company.

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013, the Rules framed thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri Gopikishan Biyani (DIN:00005775) as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a second term of 5 (Five) consecutive years on the Board of the Company with effect from 30th September, 2019.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

6. To approve re-appointment of Shri Sandeep Shriya (DIN: 00027299) as an Independent Director of the Company.

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013, the Rules framed thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri Sandeep Shriya (DIN: 00027299) as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a second term of 5 (Five) consecutive years on the Board of the Company with effect from 30th September, 2019.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

7. To approve re-appointment of Smt. Anita Bhartiya (DIN:01579145) as an Independent Director of the Company.

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013, the Rules framed thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Smt. Anita Bhartiya (DIN:01579145) as an Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for a second term of 5 (Five) consecutive years on the Board of the Company with effect from 30th September, 2019.

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

ON BEHALF OF THE BOARD
For **REMI EDELSTAHL TUBULARS LIMITED**

Registered Office,
Remi House, Plot No.11,
Cama Industrial Estate,
Goregaon (East),
Mumbai – 400 063
Dated : 14th August, 2019

Sd/-
(RISHABH R.SARAF)
MANAGING DIRECTOR
(DIN:00161435)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING WILL BE ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from **Monday, the 23rd September, 2019 to Monday, the 30th September, 2019**, both days inclusive.
3. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered office of the Company on all working days, during 4.00 P.M to 6 P.M up to the date of the Meeting.

4. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Registrar M/s. Bigshare Services Private Limited / Company.

5. Green Initiative :

Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same to the Company by sending email at rmi_igrd@remigroup.com or by submitting a duly filled in “E-mail Registration Form” available on the website of the Company, or to M/s. Bigshare Services Private Limited or with the concerned depositories.

The “E-mail Registration Form” has also been sent along with the Notice of the Company. Members are requested to send the same duly filled in the self-address envelope enclosed with the notice.

YOUR INITIATIVE WILL SAVE FOREST WEALTH OF OUR COUNTRY.

6. Pursuant to provision of Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide its members facility to exercise their rights to vote on the resolution proposed to be considered at the 48th Annual General Meeting by the electronic means (remote e-voting) / postal Ballot and voting by ballot paper at the AGM. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL). The e-voting facility is available at the link <https://www.evoting.nsdl.com>.
7. The Notice of the AGM is available on website of the Company. The self-addressed envelope enclosed to this Notice, bears the address to which the duly completed Postal Ballot Form is to be sent. Shareholders desiring to exercise vote by physical Postal Ballot are requested to carefully read the instructions printed in the postal ballot Form and return the Postal Ballot Form duly completed

and signed in the enclosed self-addressed business reply envelope to the scrutinizer so as to reach the Scrutinizer on or before the close of **5.00 p.m.** on the **29th September, 2019**. Any Postal Ballot received from the member beyond the said date will not be valid and voting by whether by post or by electronic means shall not be allowed beyond the said date.

8. Kindly send duly filled “E-mail Registration Form” along with the Postal Ballot Form in the self-address envelop.

9. In case a Member is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e-mail to **rmi_igrd@remigroup.com**.

10. In case of joint holding, this form should be completed and signed by the first named Member and in his / her absence, by the next-named Member.

11. Unsigned, incomplete, improperly or incorrectly ticked Postal Ballot Forms shall be rejected.

12. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting / postal ballot shall be able to exercise their right at the meeting through ballot paper. A member may participate in the AGM even after exercising his/ her right to vote through remote e-voting/ postal ballot but shall not be allowed to vote again at the AGM. In case Members cast their vote through all these modes, voting done by e-voting shall prevail and votes cast through Ballot form/ postal ballot shall be treated as invalid.

13. The remote e-voting period shall commence at 9.00 a.m. on the **25th September, 2019** and will end at 5 p.m. on **29th September, 2019**. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.

14. The details procedure for remote e-voting is set out below:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

c) How to retrieve your ‘initial password’?

(i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from

NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address
- 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- 8. Now, you will have to click on "Login" button.
- 9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **retlscrutinizer@gmail.com** with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
15. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. on **23rd September, 2019**. Members are eligible to cast vote electronically only if they are holding shares either in physical form or demat form as on that date.
16. Any persons who have acquired shares after the dispatch of the Notice and holding shares as on cut-off date i.e. **23rd September, 2019** may obtain the user ID and Password by sending a request at evoting@nsdl.co.in or to RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using

“Forgot User Details/ Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no. 1800-222-990.

17. Shareholders who forgot the User Details/Password can use “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com. In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No.+Folio No.).
18. The Company has appointed Shri Vishal Mehra, Practicing Company Secretary, V M Mehra & Associates, to act as the Scrutinizer, to scrutinize the entire ballot voting /e-voting process in a fair and transparent manner.
19. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting/ postal ballot facility.
20. The scrutinizer shall, after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than 2 days of conclusion of the meeting, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
21. The results declared along with the consolidated Scrutinizer’s Report shall be placed on the Company’s website i.e. www.remigroup.com and on the website of NSDL after the result is declared by the chairman or a person authorized by him .The result shall also be forwarded to The Bombay Stock Exchange Limited.
22. An Explanatory Statement relating to the item of special business set out in item Nos. 3 to 7 accompanies.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013 – ANNEXURE TO THE NOTICE

Item No. 3

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification

of the remuneration payable to the Cost Auditors for the financial year 2019-20.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.3 of the Notice.

Item No. 4

The Board of Directors of the Company at its meeting held on 14th August, 2019 pursuant to the recommendation of the Nomination and Remuneration Committee and subject to the approval of shareholders at ensuing Annual General Meeting, appointed Shri Mahendra Chirawawala as an Independent Director of the Company to hold office with effect from 30th September, 2019. for a term of 5 (five) consecutive years, not liable to retire by rotation. Shri Mahendra Chirawawala is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. Accordingly, it is proposed to appoint Shri Mahendra Chirawawala as an Independent Director of the Company for a term of 5 (five) consecutive years with effect from 30th September, 2019.

In the opinion of the Board, Shri Mahendra Chirawawala, the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made from time to time and Shri Mahendra Chirawawala is independent of the Management.

The Board recommends passing of the resolution set out at Item No.4 of the Notice by way of an Special Resolution. Except Shri Mahendra Chirawawala none of the other Directors or Key Managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution.

❖ **Shri Mahendra Chirawawala (DIN:00340658):**

Shri Mahendra Chirawawala (73) is an engineer with B.E. (Hons.) Degree. He is doing Business of Manufacturing of Packing Articles such as Card Board, Cartons. He is on board of MMA Exim India Private Limited. He is the Chairman of Stakeholders Relationship Committee of Remi Elektrotechnik Ltd. He is having vast amount of experience to his credit. He does not hold any shares of the Company.

Item No. 5 to 7

At the 43rd AGM of the Company held on 30th September, 2014, the Members had approved the appointment of, Shri Gopikishan Biyani, Shri Sandeep Shriya and Smt. Anita Bhartiya for a term of five years with effect from 30th September, 2014. In accordance with Section 149(10) of the Act, an Independent Director shall hold office for a term upto five years

on the Board and shall be eligible for reappointment on passing a Special Resolution. Section 149(11) of the Act provides that an Independent Director may hold office for two consecutive terms of five years each. Taking into consideration their skills, experience, knowledge and their valuable contribution to the Company and based on their performance evaluation, it is desirable to continue to avail their services and reappoint them for a second term of five years to hold office with effect from 30th September, 2019.

Accordingly, the Board of Directors at their Meeting held on 14th August, 2019, based on the recommendation of the Nomination and remuneration Committee, recommended the reappointment of Shri Gopikishan Biyani, Shri Sandeep Shriya and Smt. Anita Bhartiya as Independent Director of the Company for second term, as aforesaid. Independent Directors are not liable to retire by rotation. They also have given declaration that they are not disqualified from being reappointed as Independent Director in terms of Section 164 of the Act and have given their consent to act as an Independent Director. The Company has also received declaration from them that they meet the criteria of independence as prescribed under the Act and the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Shri Gopikishan Biyani, Shri Sandeep Shriya and Smt. Anita Bhartiya have also given declaration that they are not debarred from holding office of director by virtue of any order passed by Securities and Exchange Board of India or any other such authority. The terms and conditions of reappointment of independent Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day of the Company and will also be kept open at the venue of the AGM till the conclusion of the AGM.

Brief profile of Shri Gopikishan Biyani, Shri Sandeep Shriya and Smt. Anita Bhartiya are given in this Notice. Shri Gopikishan Biyani, Shri Sandeep Shriya and Smt. Anita Bhartiya and their relatives are interested in the Resolutions set out at Item Nos. 5 to 7 respectively of the Notice with regard to their individual appointments. In the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of Management.

❖ **Shri Sandeep Shriya (DIN: 00027299)**

Shri Sandeep Shriya (56) is a commerce graduate of Bombay University. He joined his family business of Transportation and Trading in steel since 26 years. He has Over 30 years of varied experience in manufacturing, trade, ecommerce, skill training both in India and abroad. He is on the Board of K K Fincorp Limited, Prabhu Structures Investment India Pvt. Ltd., Bhoruka Steel Investments India Pvt. Ltd. and Holistic Corporate Services Private Ltd. He

holds 5000 shares in the Company. He is chairman of Audit Committee and Stakeholders relationship Committee of K K Fincorp Limited and is member of Audit Committee and Stakeholders relationship Committee of Remi Edelstahl Tubulars Limited. He has attended 5 (Five) Board Meetings during the year.

❖ **Shri Gopikishan Biyani (DIN:00005775)**

Shri Gopikishan Biyani (74) is a business man of long standing and he also will be of assistance to the other Directors and the Company. He has more than 30 years of varied experience in trade and commerce. He does not hold any shares of the Company. He is on board Central Departmental Stores Private limited, Planet Traders Limited, Medic Creations Private Limited and Future Hospitality Management Limited. He is member of Nomination and Remuneration Committee of Remi Edelstahl Tubulars Limited. He has attended 5 (Five) Board Meetings during the year.

❖ **Smt. Anita Bhartiya (DIN:01579145)**

Smt. Anita Bhartiya (52) is a Commerce graduate with first class from Mumbai University. She has experience in the field of Manufacturing, Production, Inventory Management, Merchandising, Brand Development etc. She does not hold any shares in the Company. She is on the Board of Remi Process Plant and Machinery Limited, Bajrang Finance Limited, Remi Securities Limited, K K Fincorp Limited, Bhartiya Agro Mercantile Ltd. and Chandulal Remeshwardas Imports Ltd. She is member of Audit Committee of Remi Process Plant and Machinery Limited, Bajrang Finance Limited, Remi Securities Limited and K K Fincorp Limited. She has attended 5 (Five) Board Meetings during the year.

The Board recommends passing of special resolutions as set out in item nos. 5 to 7 of the Notice. None of the Directors or Key Managerial Personnel of the Company or their respective relatives of the Company are concerned or interested in the said resolutions except themselves.



DIRECTORS' REPORT

To

The Members

REMI EDELSTAHL TUBULARS LIMITED

Your Directors have immense pleasure in presenting the 48th Annual Report and Audited Statements of Accounts of the Company for the year ended 31st March, 2019.

PERFORMANCE REVIEW:

The performance for the financial year ended 31st March, 2019 is summarized below:-

| | (₹ in Lacs) | |
|--|-------------|-------------|
| | 2018 – 2019 | 2017 – 2018 |
| Gross Turnover | 12458.20 | 6033.87 |
| Profit / (Loss) before Finance Cost, Depreciation and Tax (EBIDTA) | 868.26 | 425.23 |
| Finance Cost | 346.85 | 242.50 |
| Depreciation | 476.59 | 478.25 |
| Taxation | 33.13 | 856.57 |
| | | (101.63) |
| | | 619.12 |
| Profit/ (Loss) for the period | 11.69 | (193.89) |
| Other comprehensive income | 6.26 | 5.50 |
| Profit/ (Loss) for the period (after other comprehensive income) | 17.95 | (188.39) |
| Balance brought forward | (154.48) | 33.91 |
| | (136.52) | (154.48) |
| <u>Appropriations</u> | | |
| Transfer to General Reserve | -- | -- |
| Balance carried to Balance Sheet | (136.52) | (154.48) |
| | (136.52) | (154.48) |

OPERATIONS:

The Company has achieved turnover of Rs.124.58 crores during the current financial year as against Rs.60.34 crores during the previous year. The Company has achieved EBIDTA of Rs.8.68 crores during the year as against Rs.4.25 crores during the previous year. The Company has earned profit of Rs.0.18 Crores during the year as compared to loss of Rs 1.88 crores in the previous year.

The last four years were very challenging for the Company in view of the slowdown in Indian economy in general and negative growth in the capital goods industry in particular. During this period various powers and other green field projects were either on hold or stuck due to various factors i.e.; environmental clearance, financial closure etc. and consequently as Key Component/ Material Suppliers, Original equipment manufacturers (OEM'S), like our company, are saddled with inventory and low business prospects.

The Company is hopeful that fresh capital investment in the power, refining and petro chemical sector will revive due to continuity of the Government at Center and is taking steps in that direction by more reforms including opening more sectors to FDI, raising FDI limit of various sectors and stabilization of GST. Your Company is well positioned as efforts made into product development over the past few years have made your company one of the few manufacturers in the country that are capable of producing tubes for the power generation industry.

The Board of Directors expresses their inability to declare any dividend.

There are no amounts proposed to reserves.

There are no Companies which have become or ceased to be its Subsidiaries, Joint Ventures or associate Companies

DIRECTORS:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Shri Rajendra C. Saraf (DIN:00161412) retire by rotation and is to be re-appointed. The brief profile stated in the Corporate Governance Report.

BOARD MEETINGS:

During the year, 5 (Five) Board meetings were held, with gap between Meetings not exceeding the period prescribed under the Act. Details of Board and committee meetings held during the year are given in the Corporate Governance Report.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining qualifications, positive attributes and independence of a Director and also a policy for remuneration of Directors, Key Managerial Personnel and senior management. The details of criteria laid down and the Remuneration Policy are given in the Corporate Governance Report.

FINANCIAL STATEMENTS:

Audited Financial Statements are prepared in accordance with Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies act , 2013 read with the rules made thereof.

AUDITORS:

Shri Yatin Kumar Shah (Membership No.159796), Chartered Accountant, was appointed as the statutory auditor of the Company for a term of consecutive five years i.e; from the conclusion of the 46th annual general meeting till the conclusion of the 51st Annual General Meeting by the shareholders of the Company.

He has confirmed that he is not disqualified from continuing as auditor of the Company.

The statutory audit report for the financial year ended 31st March, 2019 does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditors.

COST AUDITORS AND COST AUDIT REPORT:

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company are required to be audited by cost auditors. The Board has on the recommendation of the Audit Committee, appointed M/s. Kejriwal & Associates, Cost Accountants, to audit the cost records of the Company for the financial year 2019-20, on a remuneration of Rs.60,000/- (Rupees Sixty Thousand only), subject to ratification by members. Accordingly, a resolution seeking Members' ratification for the remuneration payable to M/s. Kejriwal & Associates, Cost Auditors, is included in the Notice convening the Annual General Meeting.

SECRETARIAL AUDITOR:

Shri Vishal Mehra, Practicing Company Secretary, V M Mehra & Associates, was appointed to conduct the secretarial audit of the Company for the financial year 2019-20, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for FY 2018-19 forms part of the Annual Report as "**Annexure - A**" to the Board's report. There is no qualification, reservation or adverse remark in the report.

LOANS, GUARANTEES OR INVESTMENTS:

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

RELATED PARTY TRANSACTIONS AND POLICY ON RELATED PARTY TRANSACTIONS:

Pursuant to provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board has formulated Policy on Related Party Transactions and the same is available on the website of the Company at **www.remigroup.com**. All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no material related party transactions entered by the Company during the year and thus disclosure in Form AOC-2 is not required. Pursuant to Schedule V of the SEBI ((Listing Obligations and Disclosure Requirements) Regulation, 2015, there are no transaction with any person or promoter/ promoters group holding 10% or more shareholding.

None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company other than sitting fees.

Your Directors draw attention of the members to Note 36 to notes to accounts, which sets out related party disclosures.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy:

- i. the steps taken or impact on conservation of energy; : Replacement of 250W HPSV High Bay Height Fixtures with 100 W LED in plant sheds and modification in annealing furnace for improving its thermal efficiency.
- ii. the steps taken by the company for utilizing alternate sources of energy; : Windmill generation at Dhule is supplied to plant through open access scheme of Govt. of Maharashtra.
- iii. the capital investment on energy conservation equipments; : --

(B) Technology absorption:

- i. the efforts made towards technology absorption; : The Company does not have any foreign collaboration for manufacturing. The Company is continuously modernizing its production and testing machineries and equipments.
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution; : The Company's products are Import substitutes.
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : N.A.
- (a) the details of technology imported; : N.A.
- (b) the year of import; : N.A.
- (c) whether the technology been fully absorbed; : N.A.
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and : N.A.
- iv. the expenditure incurred on Research and Development : Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO:

| | |
|----------|-----------------|
| Earnings | Rs.1.02 Lacs |
| Outgo | Rs.1108.46 Lacs |

AUDIT COMMITTEE:

The Composition of the Audit Committee is stated in the Corporate Governance Report.

RISK MANAGEMENT:

The Company has laid down a risk management policy identifying Foreign Exchange Risk, Business Risk and Insurance risk. The senior management team reviews and manages the foreign exchange risks in a systematic manner, including regular monitoring of exposures, proper advice from market experts, hedging of exposures, etc. The Company's currency hedging strategies have helped minimize volatility and have helped buffer the impact of currency exchange rate fluctuations.

PERFORMANCE EVALUATION OF INDEPENDENT DIRECTOR BOARD, COMMITTEES AND DIRECTORS:

Pursuant to the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board had carried out performance evaluation of its own, the Board Committees and of the Individual directors. Independent Directors at a separate meeting evaluated performance of the Non-Independent Directors, Board as a whole and of the Chairman of the Board. The manner in which the evaluation has been carried out has been detailed in the Corporate Governance Report.

DEPOSITS:

The Company has not accepted any deposits from the public falling within the purview of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

INTERNAL CONTROL SYSTEM:

The Company has in place adequate internal financial controls with reference to financial statements. The internal financial controls are adequate and are operating effectively.

SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

VIGIL MECHANISM:

The Company has set up vigil mechanism viz. Whistle Blower Policy to enable the employees and Directors to report genuine concerns and irregularities, if any in the Company, noticed by them. No personnel has been denied access to the Audit Committee. The same is posted on the website of the Company.

EXTRACT OF THE ANNUAL RETURN:

The extract of the Annual Return in form MGT-9 is placed on the Company's website at www.remigroup.com.

MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule, 5(1) and 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section

136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

No employee of the Company was in receipt of remuneration equal to or exceeding the prescribed limits pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors confirm that :

- a. in the preparation of the annual accounts for the year ended 31st March 2019, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b. the Directors have selected 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 ended 31st March 2019 and of the profit of the Company for that period;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts / financial statements on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls are adequate and were operating effectively; and
- f. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

APPRECIATION:

The Board extends its grateful thanks to the Investors, Central and various State Governments, its bankers and district level authorities for their continued support extended to the Company from time to time.

ON BEHALF OF THE BOARD

Registered Office:
REMI House, Plot No.11,
Cama Industrial Estate,
Goregaon (East),
Mumbai – 400 063
Dated: 14th August, 2019

Sd/-
VISHWAMBHAR C. SARAF
CHAIRMAN
(DIN:00161381)

MANAGEMENT DISCUSSION AND ANALYSIS

(a) Industry Structure and Development:

The growth in the product markets have shifted from the traditional focus on oil and petrochemical sector to the power sector. This shift stands to become more prominent in the next few years as the installation of nuclear power plants becomes more critical for the growth of the economy. The Stainless steel tube and pipe industry can be classified in the organized sector, in which the Company operates has witnessed a sharp growth in capacity over the past few years. However, due to slowdown in Indian economy in general and capital goods industry in particular, these are challenging times for the industry.

(b) Opportunities and Threats:

The government is taking steps to revive the economy, we are hopeful that the economic environment will improve, customer sentiment will turn positive and the industry will see better growth in coming times. The growth in the power, both thermal & nuclear, fertilizer, oil and petroleum sector offer opportunities for the Company's products. However, the pricing volatility of key raw material ingredients (such as nickel) can affect demand and usage patterns of user industry as well as affect the viability of major project investments. Apart from this, installation of LNG terminals can have a substantial contribution in the usage of stainless steel tubular products. The dumping of secondary quality products, imports of S.S. Pipes under FTA continuous to be a threat and can have an adverse impact on demand of locally manufactured products.

(c) Outlook:

The Stainless Steel Tubular industry has strong fundamentals and the management firmly believes that this is an essential product required during the further industrialization of the country. The Company's product range is catered to meeting the demand for value added products is going to give the Company a chance to participate in the specialized markets which are currently dominated with few manufacturers. The approvals received from users abroad will help in redevelopment of an export market which is currently negligible in the Company's portfolio.

(d) Risk and Concerns:

The global environment continues to be marked by economic volatility. The uncertainty in the international and domestic markets may affect demand. It may also have a further impact on the Indian Rupee, which would make imports more expensive. The Company, however, is taking suitable steps to ensure protection of its margins as and when required. The high rate of interest and uncertain monsoons may continue to dampen the investment scenario in India.

(e) Internal Control Systems and their adequacy:

The Company has adequate internal control systems in technical and financial fields.

(f) Financial Performance:

The Financial Performance of the Company has improved during the year compared to previous year.

(g) Human Resources/ Industrial Relations:

The Company has maintained good industrial relations and has maintained harmonious relations with the employees.

(h) Cautionary Statement:

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting global and domestic demand and supply, finished goods prices in the domestic and overseas markets in which the Company operates, raw-materials cost and availability, changes in Government regulations, tax regimes, economic developments within or outside India and other factors such as litigation and industrial relations. The Company assumes no responsibility to publicly amend, modify or revive any forward looking statements on the basis of any subsequent developments, information or events.

(i) Details of significant changes in Key Financial Ratios:

| Sr. No. | Particulars | 2018-19 | 2017-18 | Remarks |
|---------|--------------------------|---------|---------|--|
| 1) | Debtors Turnover Ratio | 6.85 | 4.18 | In F.Y. 2019, the company achieved 111.75% growth in topline. In spite of the significant growth, the focus on collection helped to reduce receivables and consequently debtors turnover ratio improved. |
| 2) | Inventory Turnover Ratio | 3.31 | 1.58 | There is substantial improvement in inventory turnover during F.Y. 2019, as the focus is to optimise working capital and improve cash flow. |
| 3) | Interest Coverage Ratio | 2.50 | 1.75 | During the F.Y. 2019, profitability of the company has improved compared to previous year and consequently interest coverage ratio has also improved |

| | | | | |
|----|-------------------------|------|--------|--|
| 4) | Current Ratio | 1.88 | 1.83 | Current ratio during F.Y. 2019 has improved marginally. |
| 5) | Debt-Equity Ratio | 0.71 | 0.71 | Debt equity ratio in F.Y. 2019 is same as of F.Y. 2018 |
| 6) | Operating Profit Margin | 3.14 | (0.88) | During the F.Y. 2019, operating margin has improved from negative in previous year to positive due to sale of more value added products. |

| | | | | |
|----|---------------------|------|--------|---|
| 7) | Net Profit Margin | 0.36 | (4.90) | Net Profit margin during F.Y. 2019 has turned positive from negative in F.Y. 2018 due to significant increase in topline and sale of more value added products. |
| 8) | Return on Net Worth | 0.03 | (0.47) | During F.Y. 2019 return on net worth has also turned positive from negative in previous year but still the same is bare minimum |

CORPORATE GOVERNANCE

1. COMPANY'S BASIC PHILOSOPHY:

The Company's philosophy is to undertake its business with integrity, fairness, transparency and accountability and to ensure that adequate internal control systems are devised and put in place so that the interests of shareholders, employees, suppliers and those associated with the company are protected.

2. BOARD OF DIRECTORS:

During the year, the Board of Directors met 5 (Five) times on 30/05/2018, 14/08/2018, 14/11/2018, 27/12/2018 and 08/02/2019.

COMPOSITION AND CATEGORY OF DIRECTORS:

| Name of Director | Category | Attendance Particulars | | Other Boards | | |
|-------------------------|---------------------------|------------------------|----------------|--------------|------------------------|----------------------|
| | | Annual General Meeting | Board Meetings | Directorship | Committee Chairmanship | Committee Membership |
| Shri V. C. Saraf | Promoter | Yes | 5 | 6 | 3 | 3 |
| Shri R. C. Saraf | Promoter | No | 2 | 4 | 2 | 2 |
| Shri R. R. Saraf | Promoter Executive | Yes | 5 | 4 | --- | 2 |
| Shri S. L. Jain | Non-Executive | No | 4 | 1 | --- | --- |
| Shri G. Biyani | Independent Non-Executive | No | 5 | 1 | --- | --- |
| Shri S. Shriya | Independent Non-Executive | No | 5 | 4 | 2 | 2 |
| Shri K. Kumar Dujodwala | Independent Non-Executive | Yes | 5 | 8 | 1 | 2 |
| Smt. A. Bhartiya | Independent Non-Executive | No | 5 | 6 | --- | 4 |

CATEGORY AND OTHER DIRECTORSHIP IN OTHER LISTED ENTITIES

| Name of Director | Name of the Company | Category of Directorship |
|--|--|--------------------------|
| Shri Vishwambhar Saraf | Remi Elektrotechnik Ltd. | Managing Director |
| | Remi Process Plant & Machinery Ltd. | Director |
| | Technocraft Industries (India) Limited | Independent Director |
| Shri Rajendra Saraf | 3P Land Holdings Limited | Independent Director |
| | Remi Process Plant And Machinery Limited | Director |
| | Remi Elektrotechnik Limited | Director |
| Shri Rishabh Saraf | Remi Process Plant And Machinery Limited | Executive Director |
| Shri Kamalkumar Dujodwala | Mangalam Organics Limited | Executive Director |
| Shri Sandeep Shriya | K K Fincorp Limited | Independent Director |
| Smt. Anita Bhartiya | Remi Process Plant And Machinery Limited | Independent Director |
| | Bajrang Finance Limited | Independent Director |
| | K K Fincorp Limited | Independent Director |
| | Remi Securities Limited | Independent Director |
| Shri Shankarlal Jain and Shri Gopikishan Biyani are not director in any other listed companies except Remi Edelstahl Tubulars Limited. | | |

3. CORE SKILLS / EXPERTISE /COMPETENCIES AVAILABLE WITH THE BOARD

The Board comprises highly qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees. The Company has a competent Board having Leadership / Operational experience, skills of Strategic Planning, Industry Experience, Research & Development and Innovation, Financial, regulatory, Legal & Risk Management, Corporate Governance and also finance, accounts and general administration. These skills, expertise and competence have been identified for the effective functioning of the Company and are currently available with the Board.

4. AUDIT COMMITTEE:

The Audit Committee has two qualified, independent and non-executive directors and provides assistance to the Board of Directors in fulfilling its responsibilities.

The functions of the audit committee include:

- Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Discussing the adequacy of internal control systems, the scope of audit, internal audit reports and the compliance thereof.
- Recommending the fixation of the audit fee and also approval for payment for any other services of the Auditors.
- Reviewing with management the quarterly and annual financial statements, before submission to the Board.

Attendance of the members at the Audit Committee Meetings held during 2018-19.

| Committee Members | Designation | No. of Meetings | |
|----------------------------|-------------|-----------------|----------|
| | | Held | Attended |
| Shri Kamal Kumar Dujodwala | Chairman | 4 | 4 |
| Shri Rajendra C. Saraf | Member | 4 | 2 |
| Shri Sandeep Shriya | Member | 4 | 4 |

The Company Secretary of the Company, Ms. Shriya Shah acts as a secretary of the Committee.

5. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee Comprise of Shri Rajendra C.Saraf, Shri Kamal Kumar Dujodwala (Chairman) and Shri Gopikishan Biyani, three non-executive directors and provides assistance to the Board of Directors in fulfilling its responsibilities.

| Committee Members | Designation | No. of Meetings | |
|----------------------------|-------------|-----------------|----------|
| | | Held | Attended |
| Shri Kamal Kumar Dujodwala | Chairman | 2 | 2 |
| Shri Rajendra C. Saraf | Member | 2 | -- |
| Shri Gopikishan Biyani | Member | 2 | 2 |

The Terms of reference of the committee comprise various matters provided under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and section 178 of the Companies Act, 2013, and other matters referred by the Board from time to time. The Chairman of the Committee is Non-executive Independent Director.

In terms of the Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Remuneration Policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company had been formulated by the N&RC of the Company and approved by the Board of Directors. The Nomination and Remuneration Committee, has designed the remuneration policy in order to attract, motivate and retain the executive talent needed to achieve superior performance in a competitive market. The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is as below:

The Managing Director is paid remuneration by way of salary, perquisites, incentives and allowances, as recommended by the Committee and the Board of Directors and approved by the Members of the Company from time to time. Non-Executive Independent Directors are paid sitting fees for attending meetings of the Board of Directors.

The Board of Directors are collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of business; balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

6. DETAILS OF THE REMUNERATION TO ALL THE DIRECTORS:

(Rs.in Lacs)

| NAME AND DESIGNATION | SALARY | SITTING FEES |
|--|--------|--------------|
| Shri Vishwambhar C. Saraf - Chairman | -- | 0.10 |
| Shri Rishabh R. Saraf- Managing Director | 25.04 | -- |
| Shri Rajendra C. Saraf | -- | 0.07 |
| Shri Kamal Kumar Dujodwala | -- | 0.19 |
| Shri Shankar Lal Jain | -- | 0.10 |
| Shri Gopikishan Biyani | -- | 0.15 |
| Shri Sandeep Shriya | -- | 0.19 |
| Smt. Anita Bhartiya | -- | 0.15 |

7. STAKEHOLDERS RELATIONSHIP COMMITTEE:-

The Members of the Committee comprise of Shri Vishwambhar C. Saraf, Shri Sandeep Shriya and Shri Rishabh R. Saraf. Shri Vishwambhar C. Saraf, Non-Executive Director, is the Chairman of the Committee. Ms. Shriya Shah, Company Secretary, is Compliance Officer of the Company. The terms of reference of the Committee are as contained under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company had not received any complaints during the year 2018-2019.

8. POSTAL BALLOT:-

During the last year, following resolutions were passed through Postal Ballot. Shri Vishal Mehra, Practicing Company Secretary, V M Mehra & Associates, has scrutinized the voting process in fair and transparent manner as per prescribed procedure.

- a) Approval of the continuation of directorship, effective April 1, 2019, of Shri Vishwambhar Chiranjilal Saraf, Non-Executive Director, who has attained the age of 75 years.
- b) Approval of the continuation of directorship, effective April 1, 2019, of Shri Shankarlal Jain, Non-Executive Director, who has attained the age of 75 years.

9. GENERAL BODY MEETINGS:-

The last 3 Annual General Meetings of the Company were held as under:

| DATE | VENUE | TIME | NO. OF SPECIAL RESOLUTIONS |
|------------|---|------------|----------------------------|
| 30/09/2016 | Remi House, Plot No.11, Cama Industrial Estate, Goregaon(E), Mumbai – 400 063 | 11.30 A.M. | One |
| 29/09/2017 | - do - | 10.30 A.M. | -- |
| 29/09/2018 | - do - | 10.30 A.M. | One |

10. DISCLOSURES:

| | | |
|--|---|--|
| Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large. | : | Transactions with related parties are disclosed in Note No. 36 to the accounts. These transactions are not in conflict with the interests of the Company |
| Details of non-compliances by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. | : | Nil |

| | | |
|--|---|--|
| Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause. | : | The Company has complied with all mandatory requirements of Corporate Governance and other requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as applicable from time to time. |
|--|---|--|

11. DETAILS OF FEES PAID TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/ NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART:

| Particulars | | Amount (in Rs.) |
|--------------------|---|-----------------|
| Audit fees | : | 3,50,000/- |
| Certification fees | : | 20,000/- |

12. PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS, BOARD, COMMITTEES AND DIRECTORS

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of non-executive directors.

13. INDEPENDENT DIRECTOR'S FAMILIARISATION PROGRAMME:

As per requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The details of such familiarization programme is placed on the Company's website at link:

http://remigroup.com/share_holder/retl/FAMILIARISATION%20PROGRAMMES%20FOR%20INDEPENDENT%20DIRECTORS.pdf

14. SHAREHOLDING OF NON-EXECUTIVE DIRECTORS:

| Name of Directors | Shareholding (Nos.) |
|----------------------------|---------------------|
| Shri Vishwambhar C. Saraf | 400 |
| Shri Rajendra C. Saraf | 400 |
| Shri Shankar Lal Jain | 200 |
| Shri Kamal Kumar Dujodwala | - |
| Shri Gopikishan Biyani | - |
| Shri Sandeep. Shriya | 5000 |
| Smt. Anita Bhartiya | - |

15. BRIEF DETAILS OF DIRECTORS/ KEY MANAGERIAL PERSONNEL(KMP) SEEKING APPOINTMENT / REAPPOINTMENT:

Shri Rajendra C. Saraf (DIN:00161412), Director, who is retiring by rotation, is to be re-appointed. The brief resume of the Directors is given herebelow:

Shri Rajendra C. Saraf (65) (DIN:00161412) is a commerce graduate of the University of Bombay. After graduation, he joined the family business. He is on the Board of Remi Elektrotechnik Ltd., Remi Process Plant and Machinery Ltd., 3P Land Holdings Ltd. and Calplus Trading Pvt. Ltd.

INDEPENDENT DIRECTORS

The board has recommended and approved appointment Shri Mahendra Chirawawala (DIN:00340658), as an Independent Director of the Company for a term of five years.

The board has recommended and approved reappointment of Shri Gopikishan Biyani, Shri Sandeep Shriya and Smt. Anita Bhartiya as Independent Directors for second term of five years subject to approval by members by way of special resolutions.

Brief profile of Independent Directors as stated in the Notice of ensuing AGM.

Shri Vishwambhar C. Saraf and Shri Rajendra C. Saraf are brothers and Shri Rishabh R. Saraf is son of Shri Rajendra C. Saraf. Apart from this, there is no relationship between the Directors inter-se.

A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority is enclosed herewith as **Annexure B**.

KEY MANAGERIAL PERSONNEL(KMP)

During the year Ms. Shriya Shah was appointed as company secretary of the Company with effect from 27th December, 2018.

16. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- (i) Number of complaint filed during the financial year - Nil
- (ii) Number of complaints disposed of during the financial year – N.A.
- (iii) Number of complaints pending as on end of the financial year –Nil

17. MEANS OF COMMUNICATION:

The Company regularly intimates its financial results to the Bombay Stock Exchange Limited as soon as the same are approved and taken on record. These financial results are published in The Free Press Journal and Navshakti and are also available on website of the Company.

18. GENERAL SHAREHOLDER INFORMATION:

The 48th Annual General Meeting of the Company will be held on **Monday, the 30th September, 2019**, at its Registered Office, Remi House, Plot No. 11, Cama Industrial Estate, Goregaon (East), Mumbai – 400 063, at **10.30 A.M.**

Financial year of the Company is from 1st April, 2018 to 31st March, 2019.

The Register of Members and the Share Transfer Books of the Company will remain closed from **Monday, the 23rd September, 2019** to **Monday, the 30th September, 2019**, both days inclusive.

Listing on Stock Exchange:

| Name of the Stock Exchange | Stock Code |
|-------------------------------|------------|
| Bombay Stock Exchange Limited | 513043 |

Market Price Data

| MONTH | HIGH PRICE (in ₹) | LOW PRICE (in ₹) |
|------------------|--------------------|-------------------|
| April – 2018 | 40.00 | 28.75 |
| May – 2018 | 38.20 | 28.25 |
| June – 2018 | 33.90 | 24.00 |
| July – 2018 | 29.75 | 21.90 |
| August – 2018 | 30.70 | 23.75 |
| September – 2018 | 27.60 | 20.75 |
| October – 2018 | 26.00 | 18.80 |
| November – 2018 | 29.50 | 24.70 |
| December – 2018 | 33.00 | 28.50 |
| January – 2019 | 36.85 | 29.95 |
| February – 2019 | 36.85 | 29.95 |
| March – 2019 | 35.05 | 29.00 |

Disclosure of Commodity price risk or foreign exchange risk and hedging activities

Your Company has managed the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The Company uses forward exchange contracts to hedge against its foreign currency exposures. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time.

Disclosure of Commodity price risk and Commodity hedging activities

Details of Commodity Price risks and commodity hedging activities as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Risk Management policy of the listed entity with respect to commodities including through hedging:- The Company proactively manages price fluctuation risks and in case input stainless steel, it uses forward booking, inventory management and pre-emptive vendor development practices.

Exposure of the Company to commodity and commodity risk faced by the entity throughout the year:-

- 1) Total exposure of the Company to commodities is Rs.7907.01 lakhs
- 2) Exposure of the Company to various commodities :

| Commodity name | Exposure in INR | Exposure in Qty terms | % of such exposure hedged through commodity derivatives. | | | | |
|-----------------|------------------|-----------------------|--|----------|----------------------|----------|-------|
| | | | Domestic Market | | International Market | | Total |
| | | | OTC | Exchange | OTC | Exchange | |
| Stainless Steel | Rs.7907.01 lakhs | 4279.094 Tones | -- | -- | -- | -- | -- |

Registrar and Transfer Agents:

Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, (Next to Keys Hotel), Marol Maroshi Road, Andheri East, Mumbai 400059.

Ph. No.:022-62638200 Fax No.:022- 62638299

E-mail: investor@bigshareonline.com,

Website: www.bigshareonline.com

Share Transfer system:

The transfers received by the Company or Registrar and Transfer Agent in physical form are processed and Share Certificates are dispatched.

Categories of Shareholders as on 31st March, 2019

| CATEGORY | NO OF HOLDERS | NO OF SHARES | % OF TOTAL SHARE HOLDING |
|---------------------------|---------------|-----------------|--------------------------|
| Individuals/ Trust | 3470 | 4511221 | 41.07 |
| Companies | 51 | 5454499 | 49.67 |
| FIs, NRIs & OCBs | 10 | 1006680 | 9.17 |
| Mutual Funds, Banks & FIs | 3 | 10000 | 0.09 |
| TOTAL: | 3534 | 10982400 | 100.00 |

Distribution of Shares:

Distribution of Shareholding as on 31st March, 2019.

| SHAREHOLDING OF NOMINAL (SHARES) | NO. OF SHARE-HOLDERS | % OF TOTAL | SHARE | % OF TOTAL |
|----------------------------------|----------------------|---------------|-------------------|---------------|
| 1 – 500 | 2923 | 82.71 | 591,583 | 5.39 |
| 501 – 1000 | 387 | 10.95 | 284,615 | 2.59 |
| 1001 – 2000 | 105 | 2.97 | 157,323 | 1.43 |
| 2001 – 3000 | 30 | 0.85 | 76,298 | 0.69 |
| 3001 – 4000 | 25 | 0.71 | 90,594 | 0.82 |
| 4001 – 5000 | 17 | 0.48 | 80,293 | 0.73 |
| 5001 – 10000 | 15 | 0.42 | 113,292 | 1.03 |
| 10001 & Above | 32 | 0.91 | 9,588,402 | 87.32 |
| TOTAL: | 3534 | 100.00 | 10,982,400 | 100.00 |

Dematerialization of Shares:

As on 31st March, 2019, 10483669 equity shares constituting 95.46% have been dematerialized.

Unclaimed Suspense Account

In accordance with Regulation 39 (4) of the Securities And Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, an Unclaimed Suspense Account has been opened with Stock Holding Corporation of India Limited and all equity shares in physical form lying unclaimed pursuant to Public/ Rights/ Bonus issued of the Company have been dematerialized and credited to said account. Whenever any request for said unclaimed shares is received, equity shares either in electronic or physical forms is issued to the claimant concerned after debiting said account and that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

| Particulars | No. of Shareholders | No. of Shares |
|---|---------------------|---------------|
| aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; | 392 | 62,701 |
| number of shareholders who approached listed entity for transfer of shares from suspense account during the year | -- | -- |
| number of shareholders to whom shares were transferred from suspense account during the year; | -- | -- |
| aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; | 392 | 62,701 |

Plant Location:

The manufacturing facility of the Company is located at the Plot No. N-211/1, M.I.D.C., Tarapur, Maharashtra.

Wind Mill is located at Village Brahmanwel, Taluka Sakri, District Dhule, Maharashtra.

Address for Correspondence:

Registered & Corporate Office:

Remi Edelstahl Tubulars Limited

REMI HOUSE

Plot No.11, Cama Industrial Estate,

Goregaon (E) Mumbai – 400 063

Ph. No.022-4058 9888

Fax No.022-2685 2335

Email: rmi_igrd@remigroup.com

Registrar and Share Transfer Agent:

Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis Apartments

(Next To Keys Hotel), Marol Maroshi Road,

Andheri East, Mumbai 400059.

Ph. No.:022-62638200 Fax No.:022-62638299

Email: investor@bigshareonline.com

ON BEHALF OF THE BOARD

Sd/-

VISHWAMBHAR C. SARAF

CHAIRMAN

(DIN:00161381)

Place : Mumbai

Dated: 14th August, 2019

CERTIFICATE OF CORPORATE GOVERNANCE

The Members,

REMI EDELSTAHL TUBULARS LIMITED

I have examined the compliance of conditions of Corporate Governance by **REMI EDELSTAHL TUBULARS LIMITED**, for the year ended on **March 31, 2019** as stipulated in Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as applicable from time to time, entered by the Company with BSE Limited, Mumbai.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Regulation.

I state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the stakeholders Relationship Committee of the Company.

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

**FOR YATIN KUMAR SHAH,
CHARTERED ACCOUNTANT,**

Sd/-

**(YATIN KUMAR SHAH)
PROPRIETOR**

MEMBERSHIP NUMBER: 159796

PLACE : MUMBAI

DATED : 14TH AUGUST, 2019

DECLARATION REGARDING CODE OF CONDUCT

I hereby declare that all the members of the Board and the senior management personnel of **Remi Edelstahl Tubulars Limited** have affirmed compliance with the Code of Conduct of the Company.

FOR REMI EDELSTAHL TUBULARS LIMITED

Sd/-

**(RISHABH R.SARAF)
MANAGING DIRECTOR**

DIN:00161435

PLACE : MUMBAI

DATED : 14TH AUGUST, 2019

Form No. MR-3

SECRETARIAL AUDIT REPORT(For the Financial year ended 31st March, 2019)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

REMI EDELSTAHL TUBULARS LIMITED

(CIN: L28920MH1970PLC014746)

Plot No.11, Cama Industrial Estate,

Goregaon (East), Mumbai -4000063

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **REMI EDELSTAHL TUBULARS LIMITED** (hereinafter called the Company). 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's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2019**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **REMI EDELSTAHL TUBULARS LIMITED** ("The Company") for the Financial Year ended on **31st March, 2019** according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company :-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**not applicable to the Company during audit period**);
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (**not applicable to the Company during audit period**);
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**not applicable to the Company during audit period**);
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (**not applicable to the Company during audit period**);
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**not applicable to the Company during audit period**);
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (**not applicable to the Company during audit period**) and
- i. The examination of compliance of the provisions of other special applicable laws was limited to the verification of procedure on test basis.

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 the Bombay Stock Exchange Limited,

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

I further report that:

- i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There are no changes in the composition of the Board of Directors during the period under review.
- ii) 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.
- iii) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

- iv) The Company appointed Ms. Shriya Sunil Shah the Company Secretary as Compliance Officer with effect from 27th December, 2018.

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.

I further report that during the audit period, there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc, referred to above.

Place : Mumbai
Date : 9th August, 2019

Sd/-
Vishal Mehra
Company Secretary in
Whole-Time Practice
C.P. No.15526

ANNEXURE –B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Remi Edelstahl Tubulars Limited
Plot No.11 , Cama Industrial Estate ,
Goregaon (East) Mumbai -400063

I have examined the relevant records, forms, returns and disclosures received from the Directors of **Remi Edelstahl Tubulars Limited** having CIN: L28920MH1970PLC014746 and having registered office at Plot No.11 , Cama Industrial Estate , Goregaon (East) Mumbai -400063 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with sub clause (i) of clause 10 of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

For V M Mehra & Associates
Company Secretary in Practice

Place : Mumbai
Date : 9th August, 2019

Sd/-
CS Vishal Mehra
Proprietor
M No.41751
CP No.15526

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF REMI EDELSTAHL TUBULARS LIMITED

Report on the standalone Financial Statements

Opinion

I have audited the financial statements of **REMI EDELSTAHL TUBULARS LIMITED** (“the Company”), which comprise the balance sheet as at March 31, 2019, and the statement of profit and loss (including other comprehensive income), 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 (Collectively referred to as ‘standalone financial statements’).

in my opinion and to the best of my information and according to the explanations given to us, the aforesaid standalone 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 (financial position) of the Company as at March 31, 2019, and its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

- a. In the case of the balance sheet, of the state of affairs of the company as at 31st March 2019
- b. In the case of the statement of profit and loss, of the profit (financial performance including other comprehensive income) ; and
- c. In the case of the cash flow statement, of the cash flow statement for the year ended on that date.

Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am 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 my audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in

the context of my audit of the financial statements as a whole, and in forming my opinion thereon.

I have determined that there are no key audit matters to communicate in 'my report.

Other Information

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

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

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

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (“Ind AS”) specified under section 133 of the Act. 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.

Boards of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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 Standards on Auditing ('SAs'), I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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) of the Act, I am also responsible for expressing my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. I consider quantitative materiality and qualitative factors in (i) planning the scope of my audit work and in evaluating the results of my work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- I 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.
- I also provide those charged with governance with a statement that I 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, I determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstance, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
 - b. In my opinion proper books of account as required by law have been kept by the company so far as it appears from my 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 accounts;
- d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard), Rules 2016.
- e. On the basis of the written representations received from the directors as on 31st March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019, from being appointed as a director in terms of section 164(2) of the Act ;
- f. With respect to the adequacy of the internal financial controls over financial Reporting of the Company and the operating effectiveness of such controls, Refer to my separate Report in "Annexure B".
- g. 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 my opinion and to the best of our information and according to the explanations given to me :
- (i) The Company does not have any pending litigations which would impact its financial position.
- (ii) The Company did not have any long term contract including derivative contract ; as such the question of commenting on any material foreseeable losses thereon does not arise;
- (iii) There has not been any occasion in case of the Company during the year under report to transfer any sums to the investor education and protection fund. The question of delay in transferring such sums does not arise.

For **YATIN KUMAR SHAH**
CHARTERED ACCOUNTANTS,

Sd/-
(YATIN KUMAR SHAH)
PROPRIETOR
Membership Number 159796

PLACE : MUMBAI
DATED : 30th May, 2019

ANNEXURE "A" TO THE AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of my report of even date]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to me, all the assets have not been physically verified by the management during the year but there is a regular program of verification which, in my opinion, is reasonable having regard to the size of the Company and the nature of its assets. To the best of my knowledge, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of Company.
- (ii) According to the information and explanations given to me, physical verification of inventory has been conducted at reasonable intervals by the management. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to me, the Company has not granted any secured or unsecured loans to Companies/Firm/Limited Liability Partnerships/Other Persons covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to me, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) In my opinion and according to the information and explanations given to me, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and provisions of the Companies Act, 2013 and rules framed there under are not attracted.
- (vi) I have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and I am of the opinion that prima facie the prescribed accounts and records have been made and maintained. I have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations provided to me, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, VAT, GST, Excise duty, Custom duty, Goods & Service Tax, Cess and other statutory dues as applicable to it with appropriate authorities and there were no undisputed arrears as at 31st March, 2019 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to me, the particulars of dues of Income tax, VAT, GST,

Excise duty, Custom duty and Cess as at 31st March, 2019, which have not been deposited on account of a dispute, are as follows: -

| Sr. No. | Name of the Statute | Nature of dues & Period | Amount (₹) | Form where dispute is pending |
|---------|------------------------------|--|---------------|---------------------------------|
| 1. | The Central Sales Tax Act | CST Interest & Penalty F.Y. 2005-06 | 12,676/- | Maharashtra Sales Tax Tribunal |
| 2. | The Income Tax Act, 1961 | Income Tax A.Y. 2006-07 | 18,711/- | Asst. Comm. of Income Tax |
| 3 | Central GST & Central Excise | Excise, Service Tax & Penalty | 1,35,31,887/- | Comm. of GST Central Excise (A) |

- (viii) In my opinion and according to the information and explanations given to me, the Company has not defaulted in repayment of dues to a financial institutions, banks, Government or debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer, including debt instruments and term loans in year under review.
- (x) To the best of my knowledge and belief and according to the information and explanations given to me, no fraud on or by the Company has been noticed or reported during the course of my audit.
- (xi) In my opinion and according to information and explanations given to me, the Company paid or provided managerial remuneration with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In my opinion and according to the information and explanations given to me, the Company is not a Nidhi Company. Accordingly, paragraph 3(XII) of the order is not applicable. .
- (xiii) In my opinion and according to the information and explanations given to me, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) In my opinion and according to information and explanation given to me, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) In my opinion and according to the information and explanations given to me, the Company has not entered to any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **YATIN KUMAR SHAH**
CHARTERED ACCOUNTANTS,

Sd/-
(YATIN KUMAR SHAH)
PROPRIETOR
Membership Number 159796

PLACE : MUMBAI
DATED : 30th May, 2019

ANNEXURE - “B” TO THE AUDITORS’ REPORT

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

I have audited the internal financial controls over financial reporting of Remi Edelstahl Tubulars Limited (“the Company”) as of 31 March 2019 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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

My responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on my audit. I conducted my 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 I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 my 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 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **YATIN KUMAR SHAH**
CHARTERED ACCOUNTANTS,

Sd/-
(YATIN KUMAR SHAH)
PROPRIETOR
Membership Number 159796

PLACE : MUMBAI
DATED : 30th May, 2019

BALANCE SHEET AS AT 31st MARCH, 2019

(Rupees in Lacs)

| Particulars | | AS AT 31/3/2019 | AS AT 31/3/2018 |
|--|-------------------------------------|--------------------|--------------------|
| (I) ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Property, Plant and Equipment | 2(a) | 3,636.14 | 4,054.65 |
| (b) Capital work-in-progress | 2(b) | 89.00 | 3.86 |
| (c) Other Intangible Assets | 2(c) | 0.61 | 0.85 |
| (d) Financial Assets | | | |
| (i) Investments | 3 | 5.82 | 5.82 |
| (ii) Others | 4 | 534.69 | 539.76 |
| (i) Deferred Tax Assets (net) | | --- | 32.03 |
| (ii) Other Non Current Assets | 5 | 54.40 | 11.40 |
| | | 4,320.66 | 4,648.37 |
| (2) Current Assets | | | |
| (a) Inventories | 6 | 3,394.42 | 3,131.16 |
| (b) Financial Assets | | | |
| (i) Trade receivable | 7 | 2,137.57 | 2,075.00 |
| (ii) Cash and cash equivalents | 8 | 2.07 | 2.18 |
| (iii) Bank balances | 9 | 110.22 | 79.64 |
| (iv) Others | 10 | 6.16 | 18.68 |
| (c) Current Tax Assets (Net) | 11 | 167.60 | 163.61 |
| (d) Other current assets | 12 | 657.09 | 251.95 |
| | | 6,475.13 | 5,722.22 |
| | Total Assets | 10,795.79 | 10,370.59 |
| (II) EQUITY AND LIABILITIES | | | |
| (1) Equity | | | |
| (a) Equity Share Capital | 13 | 1,098.24 | 1,098.24 |
| (b) Other Equity | 14 | 3,031.68 | 3,013.72 |
| | | 4,129.92 | 4,111.96 |
| (2) Liabilities | | | |
| (1) Non-Current Liabilities | | | |
| (a) <u>Financial Liabilities</u> | | | |
| Borrowings | 15 | 2,849.42 | 2,842.67 |
| Others | 16 | 346.39 | 234.85 |
| (b) Provisions | 17 | 32.50 | 46.95 |
| (c) Deferred tax liabilities (Net) | | 0.89 | --- |
| | | 3,229.20 | 3,124.47 |
| (2) Current Liabilities | | | |
| (a) <u>Financial Liabilities</u> | | | |
| Borrowings | 18 | 1,472.63 | 2,175.77 |
| Trade Payable | 19 | | |
| total outstanding dues of micro and small enterprises; and | | 1.16 | 37.85 |
| total outstanding dues of creditors other than micro and small enterprises | | 1,191.70 | 436.15 |
| Other financial liabilities | 20 | 71.14 | 73.53 |
| (b) Other Current Liabilities | 21 | 696.63 | 404.00 |
| (c) Provisions | 22 | 3.41 | 6.86 |
| | | 3,436.67 | 3,134.16 |
| | Total Equity and Liabilities | 10,795.79 | 10,370.59 |

Summary of Significant accounting policies and notes

1 to 42

The accompanying notes are an integral part of the Financial Statements.

AS PER OUR REPORT OF EVEN DATE

FOR YATIN KUMAR SHAH,
CHARTERED ACCOUNTANTSSd/-
(YATIN KUMAR SHAH)
PROPRIETOR
Membership No.159796PLACE : MUMBAI
DATED : 30th May, 2019

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
(V. C. SARAF)
CHAIRMAN
DIN: 00161381Sd/-
(VINOD C. JALAN)
CHIEF FINANCIAL OFFICERSd/-
(R. R. SARAF)
MANAGING DIRECTOR
DIN: 00161435Sd/-
(SHRIYA S. SHAH)
COMPANY SECRETARY

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2019

(₹ in Lacs)

| Particulars | Note No. | Year Ended 31/3/2019 | Year Ended 31/3/2018 |
|---|----------|-------------------------|-------------------------|
| I. Revenue from Operations | 23 | 12,458.20 | 6,033.87 |
| II. Other Income | 24 | 124.08 | 152.46 |
| III. Total Income | | 12,582.28 | 6,186.33 |
| IV. Expenses: | | | |
| (a) Cost of material consumed | 25 | 8,136.05 | 3,425.01 |
| (b) Purchase of Stock-in-Trade | 26 | 1,648.66 | 298.80 |
| (c) Changes in Finished Goods, Stock-in-Trade and Work-in-Progress | 27 | (406.62) | 161.94 |
| (d) Excise Duty Expenses | | --- | 77.15 |
| (e) Employee Benefit Expenses | 28 | 669.70 | 639.68 |
| (f) Finance Costs | 29 | 346.85 | 242.50 |
| (g) Depreciation and amortization expenses | | 476.59 | 478.25 |
| (h) Other Expenses | 30 | 1,666.22 | 1,158.52 |
| Total Expenses (IV) | | 12,537.45 | 6,481.85 |
| V. Profit/(Loss) before exceptional items and Tax | | 44.83 | (295.52) |
| VI. Exceptional Items | | --- | --- |
| VII. Profit/(Loss) before Tax | | 44.83 | (295.52) |
| VIII. <u>Tax Expense:</u> | | | |
| (1) Current Tax | | --- | --- |
| (2) Deferred Tax/(Credit) | | 30.66 | (101.63) |
| (3) (Excess)/Short Provision of taxation of earlier years w/back | | 2.48 | --- |
| IX. Profit/(Loss) for the Period | | 11.69 | (193.89) |
| X. Other Comprehensive Income (Net of Tax) | | 6.27 | 5.50 |
| XI. Total Comprehensive Income for the period (Comprising Profit/(Loss) and Other Comprehensive Income from the period) | | 17.96 | (188.39) |
| XII. Earnings per equity share | | | |
| (1) Basic | | 0.11 | (1.77) |
| (2) Diluted | | 0.11 | (1.77) |

Summary of Significant accounting policies

1 to 42

The accompanying notes are an integral part of the Financial Statements.

AS PER OUR REPORT OF EVEN DATE

FOR YATIN KUMAR SHAH,
CHARTERED ACCOUNTANTS

Sd/-
(YATIN KUMAR SHAH)
PROPRIETOR
Membership No.159796

PLACE : MUMBAI
DATED : 30th May, 2019

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
(V. C. SARAF)
CHAIRMAN
DIN: 00161381

Sd/-
(VINOD C. JALAN)
CHIEF FINANCIAL OFFICER

Sd/-
(R. R. SARAF)
MANAGING DIRECTOR
DIN: 00161435

Sd/-
(SHRIYA S. SHAH)
COMPANY SECRETARY

CASH FLOW STATEMENT FOR THE YEAR 2018-2019

(₹ in Lacs)

| | 2018-2019 | | 2017-2018 | |
|--|-----------------|----------------|-------------------|-----------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit/(Loss) before Tax and Extra-ordinary item | 44.83 | | (295.52) | |
| <u>Adjustment for :</u> | | | | |
| Depreciation | 476.59 | | 478.25 | |
| Interest | 346.85 | | 242.50 | |
| Loss on sale of Fixed Assets | 3.06 | | - | |
| Profit on sale of Investments | (42.71) | | (67.23) | |
| Other non-operating Income | (63.17) | | (63.54) | |
| Operating profit before working capital charges | 765.45 | | 294.46 | |
| <u>Adjustment for :</u> | | | | |
| Trade and Other Receivables | (462.36) | | (941.95) | |
| Inventories | (263.26) | | (105.56) | |
| Trade Payable and Provision | 1,008.83 | | (411.79) | |
| Cash Generated from Operations | 1,048.66 | | (1,164.84) | |
| Interest Paid | (346.85) | | (242.50) | |
| Direct Taxes paid | (2.48) | | - | |
| Cash Flow before Extra-ordinary items | 699.33 | | (1,407.34) | |
| Other Comprehensive Income (Gross) | 8.53 | | 7.62 | |
| Net Cash from Operating Activities (A) | | 707.86 | | (1,399.72) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of Fixed Assets | (149.19) | | (80.19) | |
| Purchase of Investments | (3,109.31) | | (4,327.44) | |
| Sales of Fixed Assets | 3.15 | | - | |
| Sales of Investments | 3,152.01 | | 4,394.67 | |
| Other non-operating Income | 63.17 | | 63.54 | |
| Net Cash used in Investing Activities (B) | | (40.17) | | 50.58 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Repayment of Short Term Loan | (703.15) | | - | |
| Proceeds from Issue of Shares | - | | 500.00 | |
| Proceeds from Long Term Loan | 6.74 | | 768.52 | |
| Proceeds from Short Term Loans | - | | 466.49 | |
| Increase in Long Term Liabilities | 97.09 | | 0.41 | |
| Increase in Long Term Loans & Advances | (46.17) | | - | |
| Decrease in Long Term Loans & Advances | - | | 16.22 | |
| Net Cash used in Financial Activities (C) | | (645.49) | | 1,751.64 |
| Net Increase in Cash and Cash Equivalents (A+B+C) | | 22.20 | | 402.50 |
| Cash as at (Closing Balance) | 618.75 | | 596.55 | |
| Cash as at (Opening Balance) | 596.55 | | 194.05 | |
| Increase/Decrease in Cash Balance | | (22.20) | | (402.50) |

NOTES:

- 1) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Cash Flow Statement".
- 2) Cash and Cash equivalents includes Cash and Bank balances.
- 3) Figures in bracket represents Cash Outflow.

AS PER OUR REPORT OF EVEN DATE

FOR YATIN KUMAR SHAH,
CHARTERED ACCOUNTANTS

Sd/-
(YATIN KUMAR SHAH)
PROPRIETOR
Membership No.159796

PLACE : MUMBAI
DATED : 30th May, 2019

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
(V. C. SARAF)
CHAIRMAN
DIN: 00161381

Sd/-
(VINOD C. JALAN)
CHIEF FINANCIAL OFFICER

Sd/-
(R. R. SARAF)
MANAGING DIRECTOR
DIN: 00161435

Sd/-
(SHRIYA S. SHAH)
COMPANY SECRETARY

CORPORATE INFORMATION

REMI Edelstahl Tubulars Limited is Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number **L28920MH1970PLC014746**. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the business of manufacturing of **Stainless Steel Pipes and Tubes**. The principal place of business of the company is at Tarapur, Maharashtra. The Company caters to both domestic and international markets. It has various certifications likes ISO 9001 and ISO 14001 registration for products thereby complying with globally accepted quality standards.

Note – 1

1. Significant Accounting Policies:-

Basis of Preparation of Financial Statements:-

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101 'First time adoption of Indian Accounting Standards'. The transition was carried out from Generally Accepted Accounting Principles in India (Indian GAAP) as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the "Previous GAAP".

The Company's presentation and functional currency is Indian Rupees (₹). All figures appearing the financial statements are rounded off to the Rupee, except where otherwise indicated.

1.1 Authorization of Financial Statements:-

The preparation of Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amounts of the assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets;
- Valuation of Inventories
- Measurement of Defined Benefit Obligations and actuarial assumptions;

- Provisions;
- Evaluation of recoverability deferred tax assets; and
- Contingencies.

Revisions to accounting estimates are recognised prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

1.2 Property, Plant and Equipment

1.2.1 Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.2.2 The initial costs of an asset comprises its purchase price or construction costs (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

1.2.3 Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

1.2.4 Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare part is inventorised on procurement and charged to Statement of Profit and Loss on consumption.

1.2.5 An item of Property, Plant and Equipment and any significant part initially recognized separately as part of Property, Plant and Equipment is de-recognized upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is de-recognized.

1.2.6 The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any are accounted in line with revisions to accounting estimates.

1.2.7 The Company has elected to use exemption available under Ind AS 101 to continue the carrying value for all its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per previous GAAP and use that as its deemed cost as at the date of transition (1st April, 2016).

- 1.2.8 Cost of assets not ready for use at the balance sheet date is disclosed under Capital Work-in-Progress. Expenditure during Construction period is included under Capital Work-in-Progress & the same is allocated to the respective Property, Plant and equipment on the completion of its Construction.

1.3. Depreciation

Depreciation on Property, Plant and Equipment are provided on straight line basis, over the estimated useful lives of assets (after retaining the estimated residual value of 5%). These useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act.

- 1.3.1 Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.
- 1.3.2 Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.
- 1.3.3 Depreciation is charged on additions/deletions on pro-rata daily basis of addition/deletion.

1.4 Intangible Assets

- 1.4.1 Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any.

1.5 Investment Property

- 1.5.1 Investment property is property (land or a building – or part of building – or both) held either to earn rental income or a capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes.
- 1.5.2 Any gain or loss on disposal of investment property calculated as the difference between the net proceeds and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

1.6 Borrowing Costs

- 1.6.1 Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.
- 1.6.2 Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

1.7 Impairment of Non-financial Assets

- 1.7.1 Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the assets or Cash-Generating Units (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.
- 1.7.2 When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.8 Inventories

- 1.8.1 The cost for the purpose of valuation of goods is arrived at on FIFO basis and includes estimated Cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the company.

The mode of valuing closing stock is as under:

- Raw Materials, Packing goods and General Stores are valued at cost or net realizable value, whichever is less, excluding GST credit, by FIFO method.
 - Work-in-Process is valued at raw material cost plus estimated overheads or net realizable value; whichever is less but excluding GST credit.
 - Finished Goods valued at cost including estimated overheads or net realizable value whichever is less.
 - Scrap is valued at realizable value.
- 1.8.2 Raw materials held for use in the production of finished goods are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.
- 1.8.3 Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

1.9 Revenue Recognition

1.9.1 Sale of Goods

Revenue from the sale of goods is recognized when the significant risks and rewards of the ownership of

the goods have passed to the buyer, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, revenue and the associated costs can be estimated reliably and it is probable that economic benefits associated with the transaction will flow to the Company

Revenue from sale of goods excludes GST and is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates, net of returns, taxes or duties collected on behalf of the government.

When the Company acts as an agent on behalf of a third party, the associated income is recognized on net basis.

Export Sales are accounted for on the basis of the date of Bill of Lading.

1.9.2 Claims are recognized on settlement. Export incentives are accounted for in the year exports are made.

1.9.3 Interest income is recognized using Effective Interest Rate (EIR) method.

1.10 Classification of Income/ Expenses

1.10.1 Incomes and expenditures are recognized on accrual basis except in case of significant uncertainty like Claims payable & receivable, which have accounted on acceptance basis. Purchases are reported of net of trade discounts, returns VAT/GST (to the extent refundable/adjustable)

1.11 Employee benefits

1.11.1 Short term employment benefits

Short term employee benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

1.11.2 Defined Contribution Plans

- **Employee's Family Pension:**

The Company has Defined Contribution Plan for Post-employment benefits in the form of family pension for all eligible employees, which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligation beyond its monthly contributions.

- **Provident Fund:**

The Company has Defined Contribution Plan for Post-employment benefits in the form of Provident Fund for all eligible employees; which

is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligations beyond its monthly contributions.

1.11.3 Defined Benefit Plans

- **Gratuity:**

The Company has a Defined Benefit Plan for Post-employment benefit in the form of gratuity for all eligible employees which is administered through Life Insurance Corporation (LIC) and a trust which is administered by the trustees. Liability for above defined benefit plan is provided on the basis of actuarial valuation as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

- **Compensated Absences :**

Liability for Compensated Absences is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The Actuarial valuation method used for measuring the liability is the Projected Unit Credit method. Under this method, the Defined Benefit Obligation is calculated taking into account pattern of availment of leave whilst in service and qualifying salary on the date of availment of leave. In respect of encashment of leave, the Defined Benefit obligation is calculated taking into account all types of the increment, salary growth, attrition rate and qualifying salary projected up to the assumed date of encashment.

1.11.4 Termination Benefits:

- Termination benefits are recognised as an expense as and when incurred.

1.11.5 The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

1.11.6 The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

1.11.7 Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

1.11.8 Changes in the present value of the defined benefit obligation resulting from plan amendments or

curtailments are recognised immediately in profit or loss as past service cost.

1.12 Foreign Currency Transactions

1.12.1 Monetary Items

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

1.12.2 Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.13 Provisions, Contingent Liabilities and Capital Commitments

1.13.1 Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.13.2 The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

1.13.3 Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

1.13.4 Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.14 Fair Value measurement

1.14.1 The Company measures certain financial instruments at fair value at each reporting date.

1.14.2 Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

1.14.3 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the

measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.

1.14.4 The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

1.15 Financial Assets

1.15.1 Initial recognition and measurement

Trade Receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.15.2 Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

1.15.3 Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (“ECL”) model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the ‘simplified approach’ at an amount equal to the lifetime ECL at each reporting date. The application of simplified approach does not require the Company to track changes in credit risk. Based on the past history and track records the company has assessed the risk of default by the customer and

expects the credit loss to be insignificant. In respect of other financial assets such as debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.16 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.17 Taxes on Income

1.17.1 Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

1.17.2 Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based

on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

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

1.18 Earnings per share

Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

1.19 Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

1.20 Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheque and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.21 Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

1.22 Goods and Service Tax (GST)

Goods and Service Tax (GST) was implemented from 1st July 2017 and therefore the Revenue of Previous year are inclusive of Excise Duty upto 30th June, 2017 and thereafter net of GST in previous year as well as current year.

NOTE - 2

(₹ in Lacs)

| Particular | GROSS CARRYING AMOUNT | | | | DEPRECIATION | | | | NET CARRYING AMOUNT | |
|--|-----------------------|----------------------|------------------------|------------------|-----------------|---------------|--------------|-----------------|---------------------|------------------|
| | As on 01.04.2018 | Addition/ Adjustment | Deduction / Adjustment | As on 31.03.2019 | Upto 31.03.2018 | For the Year | Deduction | Upto 31.03.2019 | As on 31.03.2019 | As on 31.03.2018 |
| (a) PROPERTY, PLANT & EQUIPMENT | | | | | | | | | | |
| Land | 53.00 | - | - | 53.00 | 15.39 | 0.56 | - | 15.95 | 37.05 | 37.61 |
| Leasehold Land - Wind Mill | 12.00 | - | - | 12.00 | 7.70 | 0.48 | - | 8.18 | 3.82 | 4.30 |
| Factory Building | 1,096.84 | - | - | 1,096.84 | 529.11 | 32.89 | - | 562.00 | 534.84 | 567.73 |
| Plant And Equipment | 6,312.63 | 42.10 | - | 6,354.73 | 3,205.99 | 393.45 | - | 3,599.44 | 2,755.29 | 3,106.64 |
| Plant And Equipment - Wind Mill | 345.67 | - | - | 345.67 | 241.94 | 14.31 | - | 256.25 | 89.42 | 103.73 |
| Furniture & Fixtures | 60.19 | 0.31 | - | 60.50 | 51.52 | 2.07 | - | 53.59 | 6.91 | 8.67 |
| Vehicles | 64.43 | 11.74 | 27.56 | 48.61 | 48.35 | 5.96 | 21.35 | 32.96 | 15.65 | 16.08 |
| Office Equipments | 22.34 | - | - | 22.34 | 19.30 | 0.79 | - | 20.09 | 2.25 | 3.04 |
| OTHERS | | | | | | | | | | |
| Dies & Moulds | 211.50 | 5.83 | - | 217.33 | 130.26 | 8.95 | - | 139.21 | 78.12 | 81.24 |
| Electrical Installation | 327.09 | - | - | 327.09 | 212.51 | 14.85 | - | 227.36 | 99.73 | 114.58 |
| Air Conditioners | 28.81 | 2.69 | - | 31.50 | 20.67 | 1.61 | - | 22.28 | 9.22 | 8.14 |
| Computers | 49.62 | 1.38 | - | 51.00 | 46.73 | 0.43 | - | 47.16 | 3.84 | 2.89 |
| Total (a) | 8,584.12 | 64.05 | 27.56 | 8,620.61 | 4,529.47 | 476.35 | 21.35 | 4,984.47 | 3,636.14 | 4,054.65 |
| b) Capital WIP | 3.86 | 85.14 | - | 89.00 | | | | | 89.00 | 3.86 |
| (c) OTHER INTANGIBLE ASSETS: | | | | | | | | | | |
| Computer Software | 28.54 | - | - | 28.54 | 27.69 | 0.24 | - | 27.93 | 0.61 | 0.85 |
| Total (b) | 28.54 | - | - | 28.54 | 27.69 | 0.24 | - | 27.93 | 0.61 | 0.85 |
| Grand Total (a+b) | 8,612.66 | 64.05 | 27.56 | 8,649.15 | 4,557.16 | 476.59 | 21.35 | 5,012.40 | 3,636.75 | 4,055.50 |
| Previous Year Total | 8,532.83 | 83.87 | 4.04 | 8,612.66 | 4,082.95 | 478.25 | 4.04 | 4,557.16 | 4,055.50 | 4,449.88 |

| Particulars | AS AT 31/3/2019 | AS AT 31/3/2018 |
|--|-----------------|-----------------|
| NOTE - 3 | | |
| INVESTMENTS | | |
| Investments in Equity Instruments | | |
| (valued at cost unless stated otherwise): | | |
| Unquoted & Trade Investment - Equity Shares | | |
| Tarapur Environment Protection Society. | | - |
| 5816 (5816) Equity shares of ₹100 each | 5.82 | 5.82 |
| Total | 5.82 | 5.82 |
| (Aggregate amount of Unquoted investment) | 5.82 | 5.82 |

| Particulars | AS AT 31/3/2019 | AS AT 31/3/2018 |
|---|-----------------|-----------------|
| NOTE - 4 | | |
| OTHER FINANCIAL ASSETS | | |
| Fixed Deposits with maturity of more than 12 months (Pledged with bank as margin against B/Gs' & L/Cs') | 506.46 | 514.72 |
| Unsecured and considered good | | |
| Security Deposits | 29.65 | 25.26 |
| Deposit - Assets - Ind AS | (1.42) | (0.22) |
| Total | 534.69 | 539.76 |

(₹ in Lacs)

| Particulars | AS AT 31/3/2019 | AS AT 31/3/2018 |
|---|--------------------|--------------------|
| NOTE - 5 | | |
| OTHER NON-CURRENT ASSETS | | |
| LONG -TERM LOANS AND ADVANCES | | |
| Unsecured and considered good | | |
| Capital Advances | 54.40 | 11.40 |
| Total | 54.40 | 11.40 |
| NOTE - 6 | | |
| INVENTORIES [Refer note 1 (v)] | | |
| (As per Inventory taken, valued and certified by management) | | |
| Raw Materials (including goods in transit `1,36,05,120/-; P.Y `1,24,92,875/-) | 861.63 | 1,018.91 |
| Work-In -Process | 1,880.30 | 1,761.28 |
| Finished goods | 523.22 | 235.62 |
| Stores and Spares (including goods in transit ` NIL ; P.Y ` 81,274/-) | 129.27 | 115.35 |
| Total | 3,394.42 | 3,131.16 |
| NOTE - 7 | | |
| TRADE RECEIVABLE | | |
| Outstanding Over Six Months from due date | | |
| Others | | |
| a) Trade Receivables considered good - Secured | --- | --- |
| b) Trade Receivables considered good - Unsecured | 2,137.57 | 2,075.00 |
| c) Trade Receivables which have significant increase in Credit Risk; and | --- | --- |
| d) Trade Receivables - credit impaired | --- | --- |
| Total | 2,137.57 | 2,075.00 |
| NOTE - 8 | | |
| CASH AND CASH EQUIVALENTS: | | |
| Cash on Hand | 2.07 | 2.18 |
| Total | 2.07 | 2.18 |
| NOTE - 9 | | |
| BALANCES WITH BANK | | |
| In current accounts | 8.81 | 4.64 |
| Fixed Deposits with maturity of less than 3 months (Pledged with bank as margin against B/G & L/Cs') | 101.41 | 75.00 |
| Total | 110.22 | 79.64 |
| NOTE - 10 | | |
| OTHERS | | |
| Unsecured and considered good | | |
| Security Deposits | 6.16 | 18.68 |
| Total | 6.16 | 18.68 |
| NOTE - 11 | | |
| CURRENT TAX ASSETS (NET) | | |
| Payment of Advance Income Tax, TDS (Net) | 71.44 | 67.45 |
| MAT Credit Entitlement | 96.16 | 96.16 |
| Total | 167.60 | 163.61 |

(₹ in Lacs)

| Particulars | AS AT 31/3/2019 | AS AT 31/3/2018 |
|--|--------------------|--------------------|
| NOTE - 12 | | |
| OTHER CURRENT ASSETS | | |
| Advances other than Capital Advances | | |
| Advances recoverable in cash or in kind for value to be received (GST, VAT & PLA Refundable, Commission & Insurance Claim Receivable, Gratuity Paid in Advance etc.) | 64.67 | 163.06 |
| Advances to Suppliers | 478.68 | 9.17 |
| Advance to Staff | 16.22 | 9.22 |
| Interest accrued but not due | 10.39 | 11.60 |
| Prepaid Expenses | 85.74 | 58.69 |
| Prepaid Rent Expenses - Ind AS | 1.39 | 0.21 |
| Total | 657.09 | 251.95 |

| | | |
|---|-----------------|-----------------|
| NOTE - 13 | | |
| Share Capital | | |
| AUTHORISED: | | |
| 1,10,00,000 (1,10,00,000) Equity Shares Of ` 10/- each | 1,100.00 | 1,100.00 |
| 5,00,000 (5,00,000) 8% non-cumulative & non-convertible Preference Shares Of ` 100/- each | 500.00 | 500.00 |
| 4,00,000 (4,00,000) 6% non-cumulative & non-convertible Preference Shares Of ` 100/- each | 400.00 | 400.00 |
| | 2,000.00 | 2,000.00 |
| ISSUED, SUBSCRIBED AND FULLY PAID UP : | | |
| 1,09,82,400 (1,09,82,400) Equity Shares of ` 10/- each | 1,098.24 | 1,098.24 |
| | 1,098.24 | 1,098.24 |
| Reconciliation of Equity Shares Outstanding | | |
| At the beginning of the year | 1,098.24 | 1,098.24 |
| Add: Equity Shares issued during the year | --- | --- |
| At the end of the year | 1,098.24 | 1,098.24 |

Terms/ Rights Attached to Equity Shares:

- The company has only one class of equity shares having par value of ` 10/- Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend, if any, in Indian Rupees.
- In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of Shareholders Holding more than 5% Shares of the Company:

| Sr. No. | Name of the Shareholder | No. of shares as at 31-03-2019 | No. of shares as at 31-03-2018 |
|---------|---|-----------------------------------|-----------------------------------|
| 1 | Hanuman Forging & Engineering Pvt. Ltd. | 1,600,000 | 1,600,000 |
| 2 | Remi Securities Ltd. | 1,209,390 | 1,209,390 |
| 3 | Daleep Dhalumal Jatwani | 1,000,000 | 1,000,000 |
| 4 | Vandana V. Saraf | 736,604 | 736,604 |
| 5 | Rajendra Finance Pvt. Ltd. | 625,000 | 625,000 |
| 6 | Remi Finance & Investment Pvt. Ltd. | 625,000 | 625,000 |
| 7 | Minakshi R. Saraf | 552,580 | 552,580 |

(₹ in Lacs)

| Particulars | AS AT 31/3/2019 | AS AT 31/3/2018 |
|---|--------------------|--------------------|
| NOTE - 14 | | |
| Other Equity | | |
| Statement of Changes in Equity | | |
| a) <u>Capital Reserve</u> | | |
| As per last Balance Sheet | 35.01 | 35.01 |
| b) <u>General Reserve:</u> | | |
| As per last Balance Sheet | 2,277.19 | 2,277.19 |
| c) <u>Share Premium</u> | | |
| As per last Balance Sheet | 856.00 | 856.00 |
| | 3,168.20 | 3,168.20 |
| c) <u>Retained Earnings</u> | | |
| As per last Balance Sheet | (154.48) | 33.91 |
| Add/(Less): | | |
| i) Net Profit as per Statement of Profit & Loss | 11.69 | (193.89) |
| ii) Other Comprehensive Income as per Statement of Profit & Loss | 6.27 | 5.50 |
| Net surplus in the statement of profit & loss | (136.52) | (154.48) |
| | 3,031.68 | 3,013.72 |
| NOTE - 15 | | |
| BORROWINGS | | |
| Non-Cumulative & Non-Convertible Preference Shares | | |
| 4,00,000 (4,00,000), 6% non-cumulative & non-convertible Preference Shares Of ` 100/- each | 400.00 | 400.00 |
| 5,00,000 (5,00,000), 8% non-cumulative & non-convertible Preference Shares Of ` 100/- each | 500.00 | 500.00 |
| Terms/ Rights Attached to Preference Shares: | | |
| a) The Company has two class of Preference Share namely 6% & 8% Non-Cumulative and Non-Convertible having par value of ₹100/- | | |
| b) Both the types of Preference Shares are carrying a Preferential right with respective payment of dividend and repayment of capital in case of winding up of the Company. | | |
| c) Both the types of Preference Shares are Non-participating in Surplus funds and also in Surplus Assets and Profits in case of winding up which may remain after entire capital has been repaid. | | |
| d) Both the types of Preference Shares are Non-Convertible and Non-Cumulative in respect of payment of dividend. | | |
| | Sub Total | 900.00 |
| | | 900.00 |
| Unsecured Loans | | |
| Inter Corporate Loans from Related Parties | 93.14 | 238.54 |
| Inter Corporate Loans from Others | 1,637.90 | 1,181.41 |
| Loans from Directors | --- | 233.20 |
| Deferred Sales Tax Liabilities | 218.38 | 289.52 |
| | Sub Total | 1,949.42 |
| | | 1,942.67 |
| | Total | 2,849.42 |
| | | 2,842.67 |
| NOTE - 16 | | |
| Other Financial Liabilities | | |
| Deposit Received | 368.05 | 262.95 |
| Deposit - Liabilities - Ind AS | (21.66) | (28.10) |
| | 346.39 | 234.85 |

(₹ in Lacs)

| Particulars | AS AT 31/3/2019 | AS AT 31/3/2018 |
|--|--------------------|--------------------|
| NOTE - 17 | | |
| Provisions | | |
| Provision For Leave Encashment | 32.50 | 46.95 |
| Total | 32.50 | 46.95 |
| NOTE - 18 | | |
| Current Liabilities | | |
| Financial Liabilities | | |
| Borrowings | | |
| Secured Loans Repayable on Demand | | |
| From State Bank of India: [Secured by first hypothecation charge on entire current assets consisting of raw material, semi finished, finished goods and receivables. Extension of first charge on entire fixed assets of the Company consisting of land, building, plant & machinery situated at Tarapur, Distt. Thane and at Brahmanwel, Distt. Dhule. The Loans are also guaranteed by two of the Directors.) | 1,000.95 | 1,481.64 |
| Unsecured Loans | | |
| Inter Corporates Loans from Others | 24.32 | 694.13 |
| Loans from Directors | 447.36 | --- |
| Total | 1,472.63 | 2,175.77 |
| NOTE - 19 | | |
| Trade Payables | | |
| A) total outstanding dues of micro and small enterprises; interest paid/Payable : Nil | 1.16 | 37.85 |
| B) total outstanding dues of creditors other than micro and small enterprises | 1,191.70 | 436.15 |
| Total | 1,192.86 | 474.00 |
| NOTE - 20 | | |
| Other Financial Liabilities | | |
| Current Maturities of long term debts | 71.14 | 73.53 |
| Total | 71.14 | 73.53 |
| NOTE - 21 | | |
| OTHER CURRENT LIABILITIES | | |
| Income Received in Advance | 5.35 | 0.08 |
| Other Payables: | | |
| - Advance from Customers | 477.99 | 232.58 |
| - TDS Payable | 34.47 | 22.41 |
| - GST Payable | 19.20 | - |
| - Other Statutory dues payable | 6.76 | 4.02 |
| - Other Creditors | 22.07 | 24.03 |
| - Prepaid Rent Income - Ind AS | 18.39 | 21.56 |
| - Other Liabilities | 112.40 | 99.32 |
| Total | 696.63 | 404.00 |
| NOTE - 22 | | |
| PROVISIONS | | |
| Short Term Provisions | | |
| Provision For Leave Encashment | 3.41 | 5.37 |
| Provision For Gratuity | --- | 1.49 |
| Total | 3.41 | 6.86 |

(₹ in Lacs)

| Particulars | Year Ended 31/3/2019 | Year Ended 31/3/2018 |
|--|-------------------------|-------------------------|
| NOTE - 23 | | |
| Revenue from Operations: | | |
| <u>Sale of Products:</u> | | |
| Local Sales | 10,322.96 | 4,918.07 |
| Export Sales | 1.02 | - |
| Trading Sales | 1,767.55 | 806.75 |
| Income from Wind Power | 93.42 | 73.31 |
| | 12,184.95 | 5,798.13 |
| <u>Other Operating Revenues:</u> | | |
| Sale of scrap | 189.09 | 102.86 |
| Job Work & Service Charges | 15.03 | 65.96 |
| Commission Received | 69.13 | 66.92 |
| | 273.25 | 235.74 |
| Revenue from operations | 12,458.20 | 6,033.87 |
| Product wise details | | |
| Sale of S.S.Pipes & Tubes | 10,323.98 | 4,918.07 |
| Sale of Wind Power | 93.42 | 73.31 |
| Others | 1,767.55 | 806.75 |
| Total | 12,184.95 | 5,798.13 |
| NOTE - 24 | | |
| Other Income | | |
| Miscellaneous Income | 18.20 | 21.69 |
| Other Non - Operating Income | | |
| Rent Received | 60.00 | 60.00 |
| Rent Income - Ind AS | 3.17 | 3.54 |
| Gain on Sale of Investments | 42.71 | 67.23 |
| Total | 124.08 | 152.46 |
| NOTE - 25 | | |
| Cost of Materials consumed | | |
| Inventory at the beginning of the year | 1,018.91 | 758.78 |
| Add: Purchase | 7,978.77 | 3,685.14 |
| | 8,997.68 | 4,443.92 |
| Less: Inventory at the end of the year | 861.63 | 1,018.91 |
| Cost of Materials Consumed | 8,136.05 | 3,425.01 |
| Product wise details | | |
| Consumption of S.S.goods | 7,927.10 | 3,345.02 |
| Packing Goods | 208.95 | 79.99 |
| Total | 8,136.05 | 3,425.01 |

(₹ in Lacs)

| Particulars | Year Ended 31/3/2019 | Year Ended 31/3/2018 |
|--|-------------------------|-------------------------|
| NOTE - 26 | | |
| <u>Purchases of Stock-in-Trade</u> | | |
| Stainless Steel goods | 861.11 | 100.37 |
| Others | 787.55 | 198.43 |
| Total | 1,648.66 | 298.80 |
| NOTE - 27 | | |
| <u>(Increase) / decrease in inventories</u> | | |
| <u>Inventories at the end of the year</u> | | |
| Work-in-progress | 1,880.30 | 1,761.28 |
| Finished goods | 523.22 | 235.62 |
| | 2,403.52 | 1,996.90 |
| <u>Inventories at the beginning of the year</u> | | |
| Work-in-progress | 1,761.28 | 1,250.09 |
| Finished goods | 235.62 | 515.14 |
| Stock in Trade | --- | 393.61 |
| | 1,996.90 | 2,158.84 |
| Net (Increase) / Decrease | (406.62) | 161.94 |
| NOTE - 28 | | |
| <u>Employee Benefit expenses:</u> | | |
| Salaries, wages and bonus etc. | 600.52 | 571.96 |
| Contribution to Provident, ESIC & Gratuity funds | 46.50 | 45.74 |
| Gratuity - Ind AS | 8.27 | 7.28 |
| Staff welfare expenses | 14.41 | 14.70 |
| Total | 669.70 | 639.68 |
| NOTE - 29 | | |
| <u>Finance Costs</u> | | |
| Interest expenses | 376.98 | 239.34 |
| Interest Expenses - Ind AS | 3.54 | 2.90 |
| Other Financial Charges | 13.28 | 22.58 |
| Less : Interest Income | 46.53 | 21.90 |
| Interest Income - Ind AS | 0.42 | 0.42 |
| Total | 346.85 | 242.50 |

(₹ in Lacs)

| Particulars | Year Ended 31/3/2019 | Year Ended 31/3/2018 |
|---|---|--|
| NOTE - 30 | | |
| Other Expenses: | | |
| Manufacturing Expenses : | | |
| Consumption of stores and spares parts | 380.90 | 273.13 |
| Power and fuel | 353.85 | 255.50 |
| Job Work Charges | 339.08 | 257.98 |
| Excise Duty on Increase/(Decrease) in Opening Stock of Finished Goods | --- | (57.15) |
| Repairs and maintenance: | | |
| Building | 51.89 | 16.11 |
| Machinery | 68.20 | 62.52 |
| Others | 8.84 | 7.14 |
| Other Manufacturing Expenses | 52.97 | 33.50 |
| Administrative, Selling & Other Expenses : | | |
| Rent | 9.87 | 11.28 |
| Rent Expenses - Ind AS | 0.44 | 0.42 |
| Insurance | 9.15 | 14.04 |
| Property Tax and Lease Rent | 4.76 | 4.77 |
| Rates and Taxes | 7.79 | 13.45 |
| Brokerage & Commission | 26.54 | 0.45 |
| Travelling & Conveyance | 33.01 | 25.43 |
| Director Sitting Fees | 0.95 | 1.30 |
| Legal and professional fees | 40.64 | 30.22 |
| Late Delivery Charges | 17.74 | 8.59 |
| Bad Debts Written off | 116.35 | 8.08 |
| Sales Tax & VAT | --- | 28.06 |
| Loss on Sale of Fixed Assets | 3.06 | --- |
| Loss on Foreign Currency translation | --- | 6.17 |
| Payment to auditors: | | |
| As auditors: | | |
| Audit fee | 3.50 | 3.00 |
| For other Services; | | |
| Certification fees | 0.20 | 0.16 |
| Freight and Forwarding Charges | 10.12 | 32.29 |
| Bank Charges & Commission | 35.65 | 40.66 |
| Miscellaneous Expenses | 90.72 | 81.42 |
| Total | 1,666.22 | 1,158.52 |
| | Current Accounting Year Ended 31.03.2019 | Previous Accounting Year ended 31.03.2018 |
| 31 Contingent Liabilities not provided for : | (₹ in Lacs) | (₹ in Lacs) |
| a) Bank Guarantees given by bankers on behalf of the Company. | 1,240.50 | 1,181.97 |
| b) Bills Discounted | 1,586.95 | --- |
| c) In respect of Custom Duty | 587.62 | 579.12 |
| d) In respect of Service Tax | 135.32 | --- |
| e) Income Tax disputed in appeal | 0.19 | 1.26 |

- 32 Rent receivable in respect of assets given on operating lease in next one year is ₹ **60.00 Lacs** (P.Y. ₹ 60.00 Lacs), beyond one year to five years ₹ **300.00 Lacs** (P.Y. ₹ 300.00 Lacs) and beyond five years ₹ **65.00 Lacs** (P.Y. ₹ 65.00 Lacs).

33 **The significant component and classification of deferred tax assets and liabilities on account of timing differences are:-**

Deferred Tax Assets:

Provision for employee Benefits

Business Loss

Deferred Tax Liability:

Accelerated depreciation for tax purpose

Deferred Tax on Other Comprehensive Income & Ind AS adjustment

Net deferred tax Asset/(Liability) on account of timing difference

| | As At 31-03-2019 | As At 31-03-2018 |
|--|---------------------|---------------------|
| | 9.99 | 15.93 |
| | 578.61 | 684.61 |
| | 588.60 | 700.54 |
| | 585.07 | 667.20 |
| | 4.42 | 1.31 |
| | 589.49 | 668.51 |
| | (00.89) | 32.03 |

34 **Segment Reporting:**

The Company operates in three segments namely (i) Manufacturing of S.S. Pipes & Tubes, (ii) Wind Power Generation and (iii) Trading.

a) **Information about business segments:** -

(₹ In Lacs)

Revenue

External

Inter Segment

Total Revenue

| | S. S. Pipes & Tubes | Wind Mill Division | Trading | Total |
|--|---------------------------------------|--------------------------------|------------------------------------|---------------------------------------|
| | 10,597.23 (5,153.81) | 0.03 (0.18) | 1,767.55 (806.75) | 12,364.81 (5,960.74) |
| | -- (--) | 93.39 (73.13) | -- (--) | 93.39 (73.13) |
| | 10,597.23 (5,153.81) | 93.42 (73.31) | 1,767.55 (806.75) | 12,458.20 (6,033.87) |

Result

Segment Result

Financial Charges (Net)

Profit/(Loss) Before Tax

Provision for current Taxation

Provision for deferred Taxation/(Credit)

Mat Credit Entitlement

(Excess)/Short Provision of Taxation of earlier year

Profit/(Loss) after Tax

| | S. S. Pipes & Tubes | Wind Mill Division | Trading | Total |
|--|------------------------|-----------------------|--------------------|-----------------------|
| | 228.55 ((197.30)) | 44.24 (29.95) | 118.89 (114.34) | 391.68 ((53.01)) |
| | | | | 346.85 (242.50) |
| | | | | 44.83 ((295.52)) |
| | | | | -- (--) |
| | | | | (30.66) ((101.63)) |
| | | | | -- (--) |
| | | | | 2.48 (--) |
| | | | | 11.69 ((193.89)) |

| <u>Other Information</u> | S.S. Pipes & Tubes | Wind Mill Division | Trading | Total |
|---|-------------------------------|---------------------------|----------------|--------------------------|
| Segment Assets | 10,671.67 (10,215.31) | 105.73 (133.72) | -- (--) | 10,777.40 (10,349.03) |
| Segment Liabilities | 3,415.67 (3,111.48) | 2.63 (1.12) | -- (--) | 3,418.30 (3,112.60) |
| Capital Expenditure | 153.05 (87.73) | -- (--) | -- (--) | 153.05 (87.73) |
| Depreciation | 461.80 (463.46) | 14.79 (14.79) | -- (--) | 476.59 (478.25) |
| Non cash expenses other than depreciation | -- (--) | -- (--) | -- (--) | -- (--) |

c) **Notes**

I) Management has identified two reportable segments, namely: -

- a) S.S. Pipes & Tubes -- Comprising of Stainless Steel Welded & Seamless Pipes & Tubes.
 b) Wind Mill Division -- Comprising of Wind Turbines at Dhule.
 c) Trading -- Trading of various goods

II) Figures in brackets are for previous year.

35 Earning per Share

Reconciliation of basic and diluted shares used in computing earnings per share

- a) Number of shares considered as basic weighted average shares outstanding
 Number of shares considered as basic weighted average shares outstanding for computing basic earning per share
 Number of shares considered as weighted average shares outstanding for computing diluted earning per share.

| | 2018-2019 | 2017-2018 |
|--|--------------------|------------------|
| | 1,09,82,400 | 1,09,82,400 |
| | 1,09,82,400 | 1,09,82,400 |
| | 1,09,82,400 | 1,09,82,400 |

Computation of basic and diluted earning per share

- b) Net profit after tax attributable to equity share-holders (₹ in Lacs)
 c) Basic earnings per equity share of ₹10/- each (in ₹)
 d) Diluted earnings per equity share of ₹10/- each (in ₹)

| | | |
|--|--------------|----------|
| | 11.69 | (193.89) |
| | 0.11 | (1.77) |
| | 0.11 | (1.77) |

36 Related Parties disclosures: -

The related Parties as per the terms of Ind AS-24,- Related Party Disclosures “(Specified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2015.) are disclosed below.

Name of other Related parties with whom transactions have taken place during the year:-

A) Key managerial Personnel (KMP)

1. Mr. Rishabh R. Saraf - Managing Director
 2. Mr. Vinod C. Jalan - Chief Financial Officer
 3. Ms Shriya Sunil Shah - Company Secretary

B) Enterprises in which KMP are Interested

1. Remi Process Plant & Machinery Limited
 2. Magnificent Trading Pvt. Limited

C) Enterprises in which Non-Executive Directors are Interested

1. Remi Elektrotechnik Limited
2. Remi International
3. Rajendra Electric Motor Industries

D) Enterprises in which Relatives of KMP are Interested

1. Calplus Trading Private Limited

E) Relatives of KMP

1. Mr. Pramod C. Jalan

F) Relatives of Non-Executive Directors

1. Mr. Ritvik V. Saraf

G) Non-Executive Directors

1. Mr. Vishwambhar C. Saraf
2. Mr. Rajendra C. Saraf
3. Mr. Shankarlal Jain
4. Mr. Kamalkumar Dujodwala
5. Mr. Gopikishan Biyani
6. Mr. Sandeep Shriya
7. Mrs. Anita Bhartiya

H) Trust

1. Remi Edelstahl Tubulars Limited – Employees Group Gratuity Assurance Scheme

(₹ in Lacs)

| Details of Transaction during the year | Year Ended March 31, 2019 | Year Ended March 31, 2018 |
|--|--------------------------------------|------------------------------|
| a) <u>Managerial Remuneration</u> | | |
| Mr. Rishabh R. Saraf Salaries & Other Benefits, Contribution towards PF, etc. | 25.04 | 41.15 |
| Mr. Vinod C. Jalan Salaries & Other Benefits, Contribution towards PF, etc. | 25.13 | 23.08 |
| Ms Shriya Sunil Shah Salaries & Other Benefits. (Part of the year) | 1.01 | -- |
| b) <u>Interest Paid</u> | | |
| Mr. Rishabh R. Saraf | 7.95 | 4.81 |
| Remi Process Plant & Machinery Limited | 14.60 | 40.68 |
| Magnificent Trading Pvt. Ltd. | 0.24 | 0.16 |
| Calplus Trading Private Limited | 1.13 | 0.82 |
| Remi Elektrotechnik Limited | 0.90 | -- |
| c) <u>Loans & Advances Taken</u> | | |
| Mr. Rishabh R. Saraf | 112.00 | 230.90 |
| Mr. Rajendra C. Saraf | 187.00 | 164.65 |
| Mr. Vishwambharlal C. Saraf | 145.00 | -- |
| Remi Process Plant & Machinery Limited | 2,014.46 | 1,690.00 |
| Magnificent Trading Pvt. Ltd. | 3.00 | 2.75 |
| Calplus Trading Pvt. Ltd. | 13.00 | 12.50 |
| Remi Elektrotechnik Limited | 215.00 | -- |

(₹ in Lacs)

| Details of Transaction during the year | Year Ended March 31, 2019 | Year Ended March 31, 2018 |
|---|------------------------------|------------------------------|
| d) <u>Outstanding – Loans Taken</u> | | |
| Mr. Rishabh R. Saraf | 94.39 | 101.23 |
| Mr. Rajendra C. Saraf | 217.18 | 131.97 |
| Mr. Vishwambharlal C. Saraf | 135.79 | -- |
| Remi Process Plant & Machinery Limited | 93.14 | 238.54 |
| e) <u>Non-Executive Directors</u> | | |
| Director Sitting Fees | 0.95 | 1.30 |
| Interest | 18.88 | 4.80 |
| Rent | 0.60 | 0.60 |
| f) <u>Rent</u> | | |
| Mr. Pramod C. Jalan | 1.89 | 1.89 |
| Mr. Ritvik C. Saraf | 0.60 | 0.60 |
| Remi Process Plant & Machinery Limited | 6.48 | 6.00 |
| g) <u>Outstanding Receivables</u> | | |
| Mr. Ritvik C. Saraf | 1.25 | 1.25 |
| Remi Process Plant & Machinery Limited | 0.70 | -- |
| h) <u>Sale of Goods & Services</u> | | |
| Remi Process Plant & Machinery Limited | 23.36 | 21.09 |
| Remi Elektrotechnik Limited | 7.83 | 2.77 |
| i) <u>Purchase of Goods</u> | | |
| Remi Process Plant & Machinery Limited | 0.64 | -- |
| Remi Elektrotechnik Limited | 786.40 | 198.44 |
| j) <u>Labour Charges Received</u> | | |
| Remi process Plant & Machinery Limited | 3.20 | 2.77 |
| k) <u>Testing Charges Received</u> | | |
| Remi process Plant & Machinery Limited | 0.77 | 1.52 |
| l) <u>Interest Received</u> | | |
| Remi Elektrotechnik Limited | -- | 0.16 |
| m) <u>Reimbursement of Expenses</u> | | |
| Remi Process Plant & Machinery Limited | 6.78 | 5.88 |
| Remi Elektrotechnik Limited | -- | 0.05 |
| n) <u>Repairs & Maintenance</u> | | |
| Remi Elektrotechnik Limited | -- | 2.11 |
| o) <u>Royalty Paid</u> | | |
| Rajendra Electric Motor Industries | 0.03 | -- |
| p) <u>Job Work Charges</u> | | |
| Remi Process Plant & Machinery Limited | 0.28 | -- |
| q) <u>Outstanding Payable</u> | | |
| Remi Process Plant & Machinery Limited | -- | 0.53 |
| Rajendra Electric Motor Industries | 0.01 | -- |

37 Disclosures in accordance with Ind AS - 19 on "Employee Benefits":-
(A) Defined Contribution Plans:

The Company has recognized the following amounts in the Statement of Profit and Loss for the year:

(₹ in Lacs)

| | For the year ended March 31, 2019 |
|--|--|
| Contribution to Employees' Provident Fund & ESIC | 46.50 (43.90) |
| Total | 46.50 (43.90) |

(B) Defined Benefits Plans:

| (i) Changes in the Present Value of Obligation | For the year ended March 31, 2019 | | |
|---|--|-----------------------------|-----------------------------|
| | Gratuity | Leave Encashment | Total |
| (a) Present Value of Obligation as at April 1, 2018 | 134.98 (125.83) | 52.32 (55.60) | 187.30 (181.43) |
| (b) Interest Cost | 9.22 (7.61) | 3.51 (3.67) | 12.73 (11.28) |
| (c) Past Service Cost | -- (--) | -- (--) | -- (--) |
| (d) Current Service Cost | 9.32 (9.94) | 5.92 (2.15) | 15.24 (12.09) |
| (e) Benefits Paid | (24.94) ((1.35)) | (13.49) ((9.87)) | (38.43) ((11.22)) |
| (f) Actuarial (Gain)/Loss | (9.76) ((7.05)) | (12.35) (0.77) | (22.11) ((6.28)) |
| (g) Present Value of Obligation as at March 31, 2019 | 118.82 (134.98) | 35.91 (52.32) | 154.73 (187.30) |

| (ii) Changes in the Fair value of Plan Assets: | For the year ended March 31,2019 |
|---|---|
| | Gratuity |
| (a) Present Value of Plan Assets as at April 1, 2018 | 133.49 (116.37) |
| (b) Expected Return on Plan Assets | 10.28 (8.44) |
| (c) Actuarial Gain/(Loss) | (1.23) (0.56) |
| (d) Employers' Contributions | 9.30 (9.47) |
| (e) Employees' Contributions | -- (--) |
| (f) Benefits Paid | (24.94) ((1.35)) |
| (g) Fair Value of Plan Assets as at March 31, 2019 | 126.90 (133.49) |

(₹ in Lacs)

For the year ended March 31, 2019

| (iii) Amount recognized in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets:- | Gratuity | Leave Encashment | Total |
|---|---------------|------------------|---------------|
| (a) Present Value of Funded Obligation as at March 31, 2019 | 118.82 | -- | 118.82 |
| | (134.98) | (--) | (134.98) |
| (b) Fair Value of Plan Assets as at March 31, 2019 | 126.90 | -- | 126.90 |
| | (133.49) | (--) | (133.49) |
| (c) Present Value of Unfunded Obligation as at March 31, 2019 | -- | 35.91 | 35.91 |
| | (--) | (52.32) | (52.32) |
| (d) Net Liability / (Asset) recognized in the Balance Sheet | (8.08) | 35.91 | 27.83 |
| | (1.49) | (52.32) | (53.81) |

For the year ended March 31, 2019

| (iv) Expenses recognized in the Statement of Profit and Loss | Gratuity | Leave Encashment | Total |
|---|----------------|------------------|----------------|
| (a) Current Service Cost | 9.32 | 5.92 | 15.24 |
| | (9.94) | (2.15) | (12.09) |
| (b) Past Service Cost | -- | -- | -- |
| | (--) | (--) | (--) |
| (c) Interest Cost | 9.22 | 3.51 | 12.73 |
| | (7.61) | (3.67) | (11.28) |
| (d) Expected Return on Plan Assets | (10.27) | -- | (10.27) |
| | (8.43) | (--) | (8.43) |
| (e) Net actuarial (Gain)/Loss | -- | (12.35) | (12.35) |
| | (--) | (0.77) | (0.77) |
| (f) Employees' Contribution | -- | -- | -- |
| | (--) | (--) | (--) |
| (g) Total Expenses recognized in the Statement of Profit and Loss | 8.27 | (2.92) | 5.35 |
| | (9.12) | (6.59) | (15.71) |

For the year ended March 31, 2019

| (v) Amount recognized in Other Comprehensive Income(OCI) | Gratuity | Leave Encashment | Total |
|--|-----------------|------------------|-----------------|
| (a) Amount recognized in OCI, Beginning of period | (2.65) | -- | (2.65) |
| | (4.97) | (--) | (4.97) |
| (b) Remeasurement due to Effect of change in Financial Assumptions | 1.51 | -- | 1.51 |
| | ((5.69)) | (--) | ((5.69)) |
| (c) Effect of change in Demographic Assumptions | -- | -- | -- |
| | (--) | (--) | (--) |
| (d) Effect of experience Adjustments | (11.27) | -- | (11.27) |
| | ((1.36)) | (--) | ((1.36)) |
| (e) Actuarial (Gain)/Losses) (c+d+e) | (9.76) | -- | (9.76) |
| | ((7.05)) | (--) | ((7.05)) |
| (f) Return of plan assets (excluding interest) | (1.23) | -- | (1.23) |
| | (0.56) | (--) | (0.56) |
| (g) Total remeasurements recognized in OCI | (8.53) | -- | (8.53) |
| | ((7.62)) | (--) | ((7.62)) |
| (h) Amount recognized in OCI, End of period | (11.18) | -- | (11.18) |
| | ((2.65)) | (--) | ((2.65)) |

(₹ in Lacs)

| (vi) Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at March 31, 2019 | Percentage |
|---|-----------------------|
| (a) Government of India Securities | -- (--) |
| (b) Corporate Bonds | -- (--) |
| (c) Special Deposit Scheme | -- (--) |
| (d) Equity Shares of Listed Companies | -- (--) |
| (e) Property | -- (--) |
| (f) Insurer Managed Funds | 100% (100%) |
| (g) Others | -- (--) |

(vii) The overall expected rate of return on assets is based on the expectation of the average long-term rate of return expected on investments of the Fund during the estimated term of the obligations.

(viii) The Actual Return on Plan Assets is as follows:- (₹ in Lacs)

| Particulars | |
|------------------------------|-----------------------|
| Actual return on plan assets | 7.80 (7.65) |

(ix) Following are the Principal Actuarial Assumptions used as at the balance sheet date:-

| Sr. No. | Particulars | Gratuity | Leave Encashment |
|---------|--|-------------------------|-------------------------|
| (a) | Discount Rate | 7.55% (7.70%) | 7.55% (7.70%) |
| (b) | Expected Rate of Return on Plan Assets | 7.55% (7.70%) | -- (--) |
| (c) | Salary Escalation Rate | 6% (6%) | 6% (6%) |

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

(x) **Sensitivity Analysis**

| | 31-Mar-19 |
|-----------------------------------|-------------|
| Defined Benefit Obligation (Base) | 1,18,81,831 |

| Table 13 : Sensitivity Analysis | Decrease | Increase |
|--|-------------|-------------|
| Discount Rate | 1,24,10,821 | 1,13,90,891 |
| Impact of increase/decrease in 50 bps on DBO | 4.45% | -4.13% |
| Salary Growth Rate | 1,13,92,775 | 1,24,01,265 |
| Impact of increase/decrease in 50 bps on DBO | -4.12% | 4.37% |

38 Estimated amount of contracts remaining to be executed on Capital Account and not provided for ₹ **42.10 Lacs** (P.Y. ₹ 17.10 Lacs)

39 **Value of Imports calculated on C.I.F. basis in respect of:**

| | 2018-2019 (₹ in Lacs) | 2017-2018 (₹ in Lacs) |
|---------------------------|---------------------------------|--------------------------|
| (i) Raw Material | 1,086.65 | 123.32 |
| (ii) Stores & Spare Parts | 15.29 | 14.13 |

40 **Value of Raw Materials and Stores & Spare Parts consumed & percentage of total consumption:**

| | Value (₹ in Lacs) | % of total consumption | Value (₹ in Lacs) | % of total Consumption |
|-----------------------------------|----------------------|---------------------------|----------------------|---------------------------|
| a) Raw Materials: | | | | |
| i) Imported | 539.10 | 6.63 | 345.68 | 10.09 |
| ii) Indigenous | 7,596.95 | 93.37 | 3,079.33 | 89.91 |
| | 8,136.05 | 100.00 | 3,425.01 | 100.00 |
| b) Stores and Spare Parts: | | | | |
| i) Imported | 18.02 | 4.73 | 15.87 | 5.81 |
| ii) Indigenous | 362.88 | 95.27 | 257.26 | 94.19 |
| Total | 380.90 | 100.00 | 273.13 | 100.00 |

41 **Expenditure in Foreign Currency:**

| | | |
|------------------------|-------------|----|
| i) Travelling expenses | 6.52 | -- |
| | 6.52 | -- |

42 **Earning in Foreign Exchange:**

| | | |
|--|-------------|---------------|
| Export of S.S. Pipes (at F.O.B. Value) | 1.02 | 193.61 |
|--|-------------|---------------|

(Including value of Deemed Exports & Supplies to SEZ & EOU of ₹ **Nil Lacs**; P.Y. ₹193.61 Lacs).

FOR YATIN KUMAR SHAH,
CHARTERED ACCOUNTANTS

Sd/-
(YATIN KUMAR SHAH)
PROPRIETOR
Membership No.159796

PLACE : MUMBAI
DATED : 30th May, 2019

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
(V. C. SARAF)
CHAIRMAN
DIN: 00161381

Sd/-
(VINOD C. JALAN)
CHIEF FINANCIAL OFFICER

Sd/-
(R. R. SARAF)
MANAGING DIRECTOR
DIN: 00161435

Sd/-
(SHRIYA S. SHAH)
COMPANY SECRETARY

REMI EDELSTAHL TUBULARS LIMITED

Regd. Office: Remi House, Plot No.11, Cama Industrial Estate, Goregaon (E), Mumbai- 400 063,
CIN: L28920MH1970PLC014746, Email: rmi_igrd@remigroup.com,
Web.: www.remigroup.com, Ph.: 022-40589888, Fax: 022-26852335

Postal Ballot Form

Name & Address of the Registered Shareholder:

DPID/Client ID/ Folio No. :

No. of Shares Held :

I/We hereby exercise my/ our vote in respect of the following resolutions stated in the notice of the **48th Annual General Meeting** of the Company to be held on **Monday, the 30th September, 2019** by sending my/our assent or dissent to the said resolutions by placing a tick (√) mark in the appropriate box below:

| Item No. | Resolution summary | No. of shares held by me | I assent to the resolution Please tick (√) | I dissent to the resolution Please tick (√) |
|----------|--|--------------------------|--|---|
| 1. | To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the reports of the Board of Directors and the Auditors thereon. | | | |
| 2. | To re-appoint Shri Rajendra C. Saraf (DIN:00161412) as Director, who retires by rotation. | | | |
| 3. | To ratify the remuneration of Cost Auditors. | | | |
| 4. | To approve appointment of Shri Mahendra Chirawawala (DIN:00340658), as an Independent Director of the Company. | | | |
| 5. | To approve re-appointment of Shri Gopikishan Biyani (DIN:00005775) as an Independent Director of the Company. | | | |
| 6. | To approve re-appointment of Shri Sandeep Shriya (DIN:00027299) as an Independent Director of the Company. | | | |
| 7. | To approve re-appointment of Smt. Anita Bhartiya (DIN:01579145) as an Independent Director of the Company. | | | |

E-mail ID: _____

Place: _____

Date : _____

Signature of the Member

Electronic Voting Particulars

The e-voting facility is available at the link <https://www.evoting.nsdl.com>. The electronic voting particulars are set out below:

| EVEN (E-voting Event Number) | User ID | Password/ PIN |
|---------------------------------|---------|---------------|
| 111403 | | |

The e-voting facility will be available during the following voting period;

| Commencement of e-voting | End of e-voting |
|--|---|
| From 9.00 a.m. of 25th September, 2019 | Upto 5 p.m. of 29th September, 2019 |

Notes :

1. Please read the instructions **printed overleaf** carefully before filling this Form and for remote e-voting. Please refer to the instructions for voting through electronic means provided in the AGM Notice sent herewith. These details and instructions form integral part of the Notice for the Annual General Meeting to be held on the **30th September, 2019**.
2. The last date for the receipt of Postal Ballot Forms by the Scrutinizer is **29th September, 2019** up to 5:00 P.M.

Instructions:

1. A Member desiring to exercise vote by postal ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached postage-prepaid self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. However, envelopes containing postal ballots, if deposited in person or sent by courier / speed post at the expense of the Member, will also be accepted.
2. Alternatively, a Member may vote through electronic mode as per the instructions for remote e-voting through electronic means provided in the AGM Notice sent herewith.
3. This form should be completed and signed by the Shareholder. In case of joint holding, this form should be completed and signed by the first named Member and in his / her absence, by the next-named Member.
4. The self-addressed envelope attached to this Notice bears the address to which the duly completed Postal Ballot Form is to be sent.
5. Consent must be accorded by placing a tick mark [√] in the column 'I assent to the resolution' or dissent must be accorded by placing a tick mark [√] in the column 'I dissent to the resolution'.
6. Duly completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours on or before **Sunday, 29th September, 2019 by 5.00 P.M.** If any Postal Ballot Form is received after this date, it will be considered that no reply from such Member has been received.
7. A Member may request for a duplicate Postal Ballot Form, if so required through email at **rmi_igrd@remigroup.com**. However, the duly filled in duplicate Postal Ballot Forms should reach the Scrutinizer not later than the date and time specified in Item (6) above.
8. Members are requested to fill the Postal Ballot form in indelible ink (and avoid filling it by using erasable writing mediums like pencil).
9. Unsigned, incomplete, improper Postal Ballot Form or the form in which any other material information is missing or postal ballot containing misleading information will be rejected.
10. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Member on the cut-off date, i.e. **23rd September, 2019**.
11. There will be one Postal Ballot Form for every Folio/ Client ID, irrespective of the number of Joint holders.
12. In case of shares held by Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board resolution/ authorization giving requisite authority to the person voting on the Postal Ballot Form, together with the duly attested specimen signature(s) of the authorized signatories and are required to send scan (PDF format) of the relevant board resolutions to the Scrutinizer through e-mail to **retlscrutinizer@gmail.com** with a copy marked to **evoting@nsdl.co.in**.
13. The Scrutinizer's decision on the validity of the postal ballot shall be final and binding
14. The Result along with consolidated Scrutinizer's Report of the Postal Ballot shall be placed on the Website of the Company i.e. **www.remigroup.com**, website of NSDL and also on website of Bombay Stock Exchange.

Note: Kindly fill the below mentioned "E-mail Registration Form" along with the Postal Ballot Form and send in the self-address envelop.

E-mail Registration Form

REMI EDELSTAHL TUBULARS LIMITED

Regd. Office: Remi House, Plot No.11, Cama Industrial Estate, Goregaon (E), Mumbai- 400 063
CIN: L28920MH1970PLC014746, Web.: www.remigroup.com, Email: rmi_igrd@remigroup.com,
Ph.:022-40589888, Fax: 022-26852335

Registration of e-mail address for future communication

Name of Shareholder: _____

e-mail id: _____

Client ID No./Folio No. (in case physical holding): _____ DP ID: _____

Address: _____

Signature: _____

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail address, so far, are requested to register their e-mail address, in respect of electronic holdings with the Depository through their concerned Depository Participants. Member who hold shares in physical form are requested to registered their e-mail address with the Company.

YOUR INITIATIVE WILL SAVE FOREST WEALTH OF OUR COUNTRY

REMI EDELSTAHL TUBULARS LIMITED

Regd. Office: Remi House, Plot No.11, Cama Industrial Estate, Goregaon(E), Mumbai- 400 063
CIN: L28920MH1970PLC014746, Web.: www.remigroup.com, Email: rmi_igrd@remigroup.com,
Ph.: 022-40589888, Fax: 022-26852335

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

| | | |
|-------------------------|--|--|
| DPID No. | | Name & Address of the Registered Shareholder |
| Client ID No./Folio No. | | |
| No. of Shares Held | | |

(To be filled in if the Proxy attends instead of the Member/s)

I hereby record my presence at the **48th ANNUAL GENERAL MEETING** to be held at the Company's Registered Office on **Monday**, the **30th September, 2019**, at **10.30 A.M.**

Note: Please complete this and signed at the time of handing over this slip.

Member's/ Proxy's Signature

Form No. MGT-11 PROXY FORM

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

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

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

| | | | | |
|----|-------------|--|------------|------------------|
| 1. | Name : | | | |
| | Address : | | | |
| | E-mail Id : | | Signature: | , or failing him |
| 2. | Name : | | | |
| | Address : | | | |
| | E-mail Id : | | Signature: | |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **48th Annual General Meeting** of the Company, to be held on **Monday**, the **30th September, 2019**, at **10.30 A.M.** at the Company's Registered Office, **Remi House, Plot No.11, Cama Industrial Estate, Goregaon(E), Mumbai - 400 063** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions

| No. | Description |
|-----|--|
| 1. | To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the reports of the Board of Directors and the Auditors thereon; |
| 2. | To re-appoint Shri Rajendra C. Saraf (DIN:00161412) as Director, who retires by rotation. |
| 3. | To ratify the remuneration of Cost Auditors. |
| 4. | To approve appointment of Shri Mahendra Chirawawala (DIN:00340658), as an Independent Director of the Company. |
| 5. | To approve re-appointment of Shri Gopikishan Biyani (DIN:00005775) as an Independent Director of the Company. |
| 6. | To approve re-appointment of Shri Sandeep Shriya (DIN: 00027299) as an Independent Director of the Company. |
| 7. | To approve re-appointment of Smt. Anita Bhartiya (DIN:01579145) as an Independent Director of the Company. |

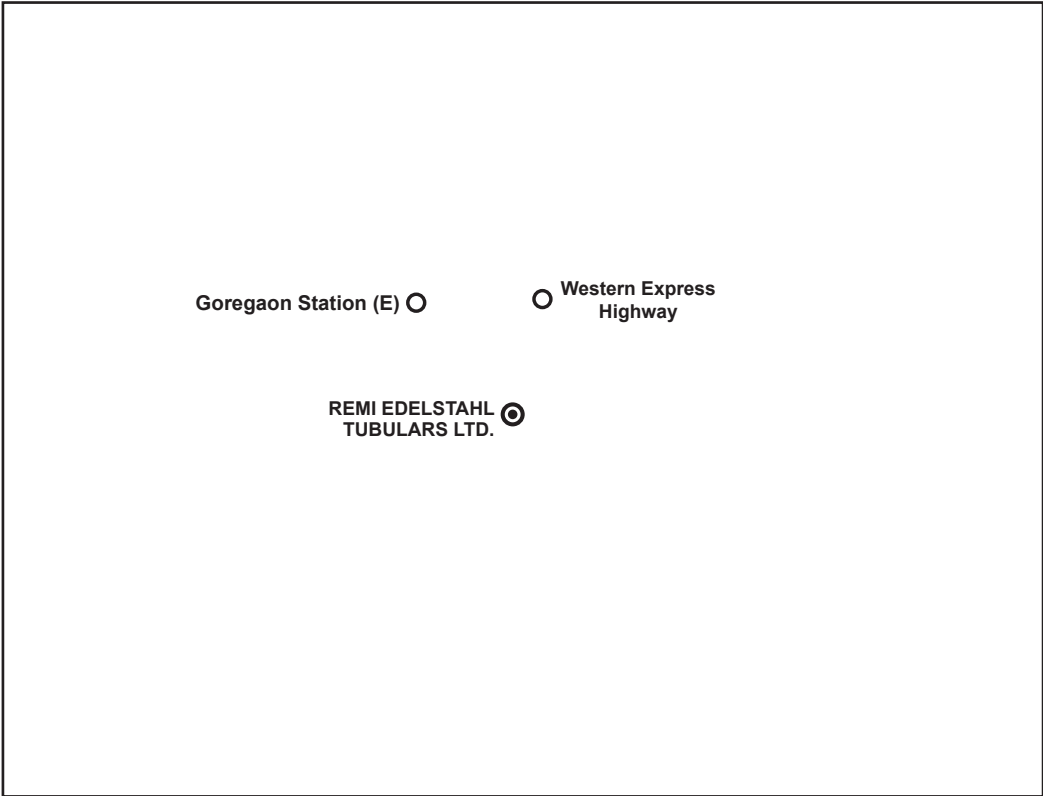
Signed this _____ day of _____ 2019.

Affix Re.1/-
Revenue
Stamp &
(sign across)

Signature of shareholder : _____ Signature of Proxy holder(s) : _____

Note: This form of proxy in order to be effective, should be duly completed, signed, stamped and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

REMI GROUP



ROUTE MAP