

**Regd. Office :**

17, Rajmugat Society, Naranpura Cross Road,  
Ankur Road, Naranpura,  
Ahmedabad - 380 013. Gujarat, India

**Phone :** +91-79-27415501 / 2 / 3 / 4**Fax :** +91-79-27480999**E-mail :** info@ratnamani.com**Website :** http://www.ratnamani.com**CIN :** L70109GJ1983PLC006460

RMTL/SEC/A.R./2015-16

28<sup>st</sup> August, 2015

BSE Ltd. Corporate Relationship Department 1 <sup>st</sup> Floor, New Trading Ring, Rotunda Building, P. J. Tower, Dalal Street, Fort, Mumbai - 400 001 Company Code : 520111	National Stock Exchange of India Ltd. "Exchange Plaza", 5th Floor, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051 Company code : RATNAMANI
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**Subject : Annual Report- 2014-15 along with Form-"A"**

Dear Sir,

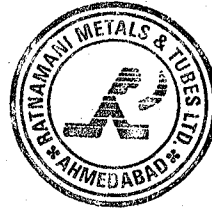
The Annual General Meeting of the Company will be scheduled to be held on Wednesday, 23<sup>rd</sup> September, 2015 at 10.00 A.M. at the Conference Hall of "The Ahmedabad Textile Mills Association" Near "Gurjari" Ashram Road, Ahmedabad - 380 009 wherein Accounts for the year 2014-15 along with other Resolutions mentioned in the Notice of AGM would be approved.

Further, as per Clause 31 of the Listing Agreement soft copy of the Annual Report for the year 2014-15 along with Form-A duly signed is attached herewith.

You are requested to upload the same on your website & put it on your record.

Thanking you,

Yours faithfully,

**For RATNAMANI METALS & TUBES LTD.**  
**JIGAR SHAH  
COMPANY SECRETARY**

Encl.: (1) Annual Report-2014-15  
(2) Form "A"

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**RATNAMANI<sup>®</sup>**  
**METALS & TUBES LTD.**

**FORM A****Format of covering letter of the annual audit report to be filed with the Stock Exchange**

1.	Name of the company	Ratnamani Metals & Tubes Ltd.
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2015.
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	<u>Prakash M. Sanghvi</u> • Managing Director	 : _____
	<u>Vimal Katta</u> • CFO	 : _____
	<u>M/S Mehta Lodha &amp; Co.</u> • Auditors of the company	 : _____
	<u>M/s S.R.B.C. &amp; Co. LLP</u> • Joint Auditors of the company	 : _____
	<u>D C Anjaria</u> • Audit Committee Chairman	 : _____



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## NOTICE

**NOTICE** is hereby given that the Thirty-first Annual General Meeting of the members of **RATNAMANI METALS & TUBES LTD.** will be held as under:

**DAY :** Wednesday  
**DATE :** 23rd September, 2015  
**TIME :** 10.00 A.M  
**VENUE :** The Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad-380009

to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt
  - a) the audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
  - b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2015.
2. To declare dividend on equity shares.
3. To appoint Director in place of Shri Jayanti M. Sanghvi (holding DIN 00006178), who retires by rotation in terms of section 152 (6) of the Companies Act, 2013 and being eligible offers himself for re-appointment.
4. To appoint Joint Auditors and fix their remuneration and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the appointment of M/s Mehta Lodha & Co., Chartered Accountants, Ahmedabad, having Firm Registration no. 106250W as Joint Auditors of the Company for a term of three years i.e. till the conclusion of the 33rd Annual General Meeting to be held in the year 2017 and M/s S. R. B. C. & Co. LLP, Chartered Accountants, Ahmedabad, having Firm Registration no. 324982E, as Joint Auditors of the Company for a term of five years i.e. till the conclusion of the 35th Annual General Meeting to be held in the year 2019, which was subject to ratification at every Annual General Meeting, be and is hereby ratified to hold the office from the conclusion of this Annual General Meeting till the conclusion of 32nd Annual General Meeting of the Company to be held in the year 2016, at such remuneration, reimbursement of out-of-pocket expenses, travelling and other expenses incurred in connection with audit to be carried out by them, as may be decided by the Board of Directors."

### SPECIAL BUSINESS

5. To appoint Smt. Nidhi G. Gadhecha, (holding DIN 06847953) as an Independent Director and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV to the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Clause 49 of the Listing Agreement, Smt. Nidhi G. Gadhecha (holding DIN 06847953), who was appointed by the Board of Directors as Additional Director Pursuant to Section 161 of the Act, and who holds office as such upto the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office upto the conclusion of 35th Annual General Meeting to be held in the Year 2019."

6. To approve the remuneration of the Cost Auditor for the financial year ending on 31st March, 2016 and in this regard, to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and Rule No 14 of Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. N. D. Birla & Co, Cost Accountants, Ahmedabad, having Firm Registration no 000028, being the Cost Auditors appointed by the Board of Directors of the Company to conduct the Cost Audit for the financial year ending on 31st March, 2016, be paid ₹ 100,000/- plus service tax and reimbursement of travelling and out-of-pocket expenses as remuneration for the year 2015-16."

### Registered Office:

17, Rajmugat Society,  
 Naranpura Char Rasta,  
 Naranpura,  
 Ahmedabad - 380 013  
 CIN: 70109GJ1983PLC006460  
 Date-07th August, 2015

### On behalf of the Board

**Prakash M. Sanghvi**  
 (Chairman & Managing Director)  
 DIN: 00006354

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing proxy should, however, be deposited at the Company's Registered Office, not less than 48 hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. 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. Corporate members intending to send their authorised representative to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such Joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
7. (a) The Register of Members and Share Transfer Books shall remain closed from 17th September, 2015 to 23rd September, 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity shares, if declared at the meeting.  
(b) The dividend on Equity shares, if declared at the Meeting, will be credited/dispached between 24th September, 2015 to 28th September, 2015 to those members whose name shall appear on the Company's Register of Members on 16th September, 2015 in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
8. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Sharepro Services (I) Private Limited ("Sharepro") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/RTA.
10. Pursuant to the provisions of Section 125 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividends for the financial year 2006-07 from time to time on the due date, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 11th September, 2014 (date of last Annual General Meeting) on the website of the Company ([www.ratnamani.com](http://www.ratnamani.com)), as also on the website of the IEPF ([www.iepf.gov.in](http://www.iepf.gov.in)).
11. Members are requested to note that the dividends not en-cashed for a period of 7 years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investors Education and Protection Fund. The details of the Unpaid Dividend are as follows:

Date of Declaration	For the Financial Year	Due for Transfer on	Unpaid Amt. (₹ in lac as on 31.03.2015)
23/09/2008	2007-2008	22/10/2015	4.68
15/09/2009	2008-2009	14/10/2016	6.25
27/08/2010	2009-2010	26/09/2017	7.53
18/08/2011	2010-2011	17/09/2018	11.30
26/09/2012	2011-2012	25/10/2019	10.52
12/08/2013	2012-2013	11/09/2020	14.08
11/09/2014	2013-2014	10/10/2021	14.82

Members who have not en-cashed the Dividend Warrants may approach to the Company immediately for payment as otherwise the same shall be dealt with the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

12. Queries on "Accounts and Operations" of the Company, if any, may please be sent to the Company ten days in advance of the Meeting so that the answers are readily available at the meeting.
13. Kindly quote your Ledger Folio Number / Client ID Number in all your future correspondence.
14. Pursuant to the provisions of Section 72 of the Companies Act, 2013, shareholders may file Nomination in respect of their shareholdings (in Physical Form). Any shareholder willing to avail of this facility may submit to the Company the prescribed Form, if not already filed.
15. The Company has appointed M/s. Sharepro Services (India) Pvt. Ltd. as its Registrar and Share Transfer Agent. All the shareholders of the Company are therefore requested to correspond directly with them at the following address in the matters related both for the transfer of shares as well as for dematerialization of the shares.

**RTA's REGISTERED OFFICE ADDRESS**

Sharepro Services (India) Private Limited  
**Unit: Ratnamani Metals & Tubes Limited**  
 13 AB, Samhita Warehousing Complex,  
 2nd Floor, Sakinaka Telephone Exchange Lane,  
 Off Andheri – Kurla Road, Sakinaka,  
 Andheri (E),  
 Mumbai – 400 072  
 Tel. No. – (022) 6772 0300 / 6772 0400  
 Fax No. – (022) 28591568  
**Email: sharepro@shareproservices.com**

**RTA's AHMEDABAD BRANCH ADDRESS**

M/s. Sharepro Services (India) Private Limited  
**Unit: Ratnamani Metals & Tubes Limited**  
 Devnandan Mega Mall,  
 Office No. 416-420, 4th Floor,  
 Opp. Sanyas Ashram, Ashram Road  
 Ahmedabad - 380006  
 Tel. No.- (079) 26582381-82-83-84  
 Fax No.- (079) 26582385  
 Contact Person: Mr. Wilson Gohil  
**E-mail: sharepro.ahmedabad@shareproservices.com**

16. With a view to provide protection against fraudulent encashment of Dividend Warrants, members are requested to provide their Bank Account Number, name of the Bank and address of the branch to enable the Company to incorporate the said details in the Dividend Warrants.
17. Non-Resident Indian Members are requested to Inform M/s Sharepro Services (India) Private Limited, immediately of :
  - a. Change in their residential status on return to India for permanent settlement.
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
18. Securities and Exchange Board of India (SEBI) has made it mandatory for every participant in the securities / capital market to furnish Income Tax Permanent Account Number (PAN). Accordingly all the shareholders are requested to submit their Permanent Account Number along with photocopy of both the sides of the PAN Card duly attested.  
 Shareholders holding shares in electronic form are requested to furnish their PAN to their Depository Participant with whom they maintain their account along with documents as required by them.  
 Shareholders holding shares in physical form are requested to submit photocopy of the PAN Card of all the holders including joint holders duly attested by Notary Public/Gazette Officer/Bank Manager under their official seal and with full name and address either to the Company's Registered Office or at the office of its Registrar at the address mentioned above.
19. **The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" allowing paperless compliance by companies through electronic mode. Companies are now permitted to send various notices/ documents to their shareholders through electronic mode to the registered e-mail address of shareholders.**  
**Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form are requested to register their e-mail addresses with M/s. Sharepro Services (India) Private Limited, Registrar and Share Transfer Agents of the Company.**
20. Ratnamani Engineering Limited (REL) was amalgamated with Ratnamani Metals & Tubes Limited (RMTL) as per the scheme approved by the Honorable High Court of Gujarat in the year 1998. Accordingly, RMTL has allotted shares to the

shareholders of REL. From our records, we find that some shareholders have yet not exchanged their share certificates after delivering share certificates of REL. Therefore it is our earnest request to all the shareholders who have REL share certificates, to get the same exchanged for RMTL share certificates.

21. Information regarding the Directors proposed to be appointed / re-appointed pursuant to Clause 49 (IV) (G) of the Listing Agreement with the stock exchanges is annexed.

**22. Voting through electronic means**

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 31st Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility of voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 31st AGM. Only those members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Shri M.C Gupta, Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the process at the AGM in a fair and transparent manner.

**The instructions for members for voting electronically are as under:-  
 In case of remote e-voting**

- (A) The voting period begins on Saturday, 19th September, 2015 (9.00 A.M) and ends on Tuesday, 22nd September, 2015 (5.00 P.M). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e 16th September, 2015 , may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 P.M. on 22th September, 2015.

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form PAN Enter your 10 digit alpha-numeric</b>
*PAN	Issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) *Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the Address Slip.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.  Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of Ratnamani Metals & Tubes Limited i.e. on **150821022** which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on,

click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk. [evoting@cdslindia.com](mailto:evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on. The list of accounts should be mailed to helpdesk. [evoting@cdslindia.com](mailto:evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, If any, in PDF format in the system for the scrutinizer to verify the same.

#### **In case of members receiving the physical copy:**

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

- (B) The voting period begins on Saturday, 19th September, 2015 (9.00 A.M) and on Tuesday, 22nd September, 2015 (5.00 P.M) .During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### **IMPORTANT NOTES :**

1. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of notice of 31st AGM i.e. the date considered for dispatch of the notice and holding shares as of the cut-off date i.e. 16th September, 2015, may obtain the login ID and password by sending a request to the Company's RTA at [sharepro.ahmedabad@shareproservices.com](mailto:sharepro.ahmedabad@shareproservices.com)
2. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper / Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility / ballot form. The Facility for Voting at meeting venue shall be decided by the company i.e. "remote e-voting" or "Ballot Paper / Polling Paper"
3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

## Annexure to the Notice

### Statement pursuant to Section 102(1) of The Companies Act, 2013

#### Item No. : 5

Smt. Nidhi G. Gadhecha was appointed as an Additional Director (Independent Director) of the Company w.e.f. 6th November 2014. In terms of Section 149, 152 and 161 of the Companies Act, 2013 read with the relevant Rules, she holds office as an Additional Director upto the date of the ensuing Annual General Meeting and being eligible, offers herself for appointment as a Director.

It is proposed to appoint Smt. Nidhi G. Gadhecha, as an Independent Director in this general meeting to hold office for a term up to the conclusion of the 35th Annual General Meeting of the Company in the calendar year 2019.

Smt. Nidhi G. Gadhecha is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Smt. Nidhi G. Gadhecha for the office of Director of the Company.

The Company has also received declarations from Smt. Nidhi G. Gadhecha that she meets the criteria of independence as prescribed both under subsection (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Smt. Nidhi G. Gadhecha fulfills the conditions for appointment as an Independent Director as specified in the Act and the Listing Agreement. Smt. Nidhi G. Gadhecha is independent of the management and possesses appropriate skills, experience and knowledge.

Smt. Nidhi G. Gadhecha, is a Chartered Accountant and nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships/chairmanships of the Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the stock Exchanges, are given on next page.

She does not hold by herself or for any other person on a beneficial basis, any shares in the Company. Keeping in view her professional qualification and the experience in finance and accounts fields, it will be in the interest of the Company that she is appointed as an Independent Director of the Company.

Copy of the draft letter for appointment of Smt. Nidhi G. Gadhecha as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

The statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Smt. Nidhi G. Gadhecha and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other 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. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

#### Item No. : 6

In pursuance of the provision of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint Cost Accountant in practice, as Cost Auditors on the recommendation of the Audit Committee. The remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified by the Shareholders.

On the recommendation of the Audit Committee at its meeting held on 06th August, 2015, the Board has considered and approved the appointment of M/s. N.D. Birla & Co., Cost Accountants, Ahmedabad, having Firm Registration no 000028, for the conduct of the Cost Audit of the Company at a remuneration as mentioned in the resolution for this item of the Notice.

None of the Directors and/or Key Managerial personnel of the Company and their relatives are concerned or interested, financially, or otherwise, in the resolution set out at Item No.6 of the accompanying Notice.

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

#### Registered Office:

17, Rajmugat Society,  
Naranpura Char Rasta,  
Naranpura,  
Ahmedabad - 380 013  
CIN: 70109GJ1983PLC006460  
Date-07th August, 2015

#### On behalf of the Board

**Prakash M. Sanghvi**  
(Chairman & Managing Director)  
DIN: 00006354

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE:**

**1. Shri Jayantibhai M. Sanghvi**

Shri Jayanti M. Sanghvi is one of the promoter of the Company and Executive Director on the Board of the Company. He is holding the position as Whole Time Director of the Company. He has over 35 years of experience in Corporate HR Management, Administration, Corporate Communication, liasoning and Corporate Procurement.

Age: 57 Years

Qualification: B.COM (FY)

Directorship in other Companies : Oswal Organiser Pvt.Ltd.

Memberships / Chairmanships of Committees in other Public Companies : NIL

Shareholding in the Company : 37,76,435 Shares

Relationship with other Directors of the Company: Shri Jayanti M. Sanghvi is the brother of Shri Prakash M. Sanghvi and Shri Shanti M. Sanghvi, Directors of the Company. No other Director is related to him.

**2. Smt Nidhi G. Gadhecha**

Smt. Nidhi G. Gadhecha is an Independent Director on the Board of the Company. She is a Chartered Accountant by qualification having good experience in Finance and Accounts. She has worked with Adani Enterprise Ltd.

Age: 28 Years Qualification : Chartered Accountant

Directorship in other Companies : NIL

Memberships / Chairmanships of Committees in other Public Companies : NIL

Shareholding in the Company: Nil

Relationship with other Directors of the Company : NIL

**Registered Office:**

17, Rajmugat Society,  
Naranpura Char Rasta,  
Naranpura,  
Ahmedabad - 380 013  
CIN: 70109GJ1983PLC006460  
Date-07th August, 2015

**On behalf of the Board**

**Prakash M. Sanghvi**  
(Chairman & Managing Director)  
DIN: 00006354





**Regd. Office :** 17, Rajmugat Society, Naranpura Char Rasta, Naranpura, Ahmedabad – 380 013, Gujarat  
E-mail: Info@ratnamani.com, Website: ratnamani.com, CIN: L70109GJ1983PLC006460  
Phone No. : 079-27415501/2/3/4 Fax No. : 079-27480999

## ATTENDANCE SLIP

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

DP ID / Client ID / Folio No.

No. of Shares

NAME AND ADDRESS OF THE SHAREHOLDERS :

I hereby record my presence at the 31st ANNUAL GENERAL MEETING of the Company held at the Conference Hall of "The Ahmedabad Textile Mills Association, Near "Gurjar", Ashram Road, Ahmedabad – 380 009 on Wednesday 23rd September, 2015 at 10.00 A.M

\_\_\_\_\_  
Signature of the Shareholder

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

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**Regd. Office :** 17, Rajmugat Society, Naranpura Char Rasta, Naranpura, Ahmedabad – 380 013, Gujarat  
**E-mail:** info@ratnamani.com, **Website:** ratnamani.com, **CIN:** L70109GJ1983PLC006460  
**Phone No. :** 079-27415501/2/3/4 **Fax No. :** 079-27480999

**Form No. MGT-11**

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

## PROXY SLIP

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

I / We being the Member(s) of Ratnamani Metals And Tubes Limited, hereby appoint:

1) Shri \_\_\_\_\_ of \_\_\_\_\_ having E-mail Id \_\_\_\_\_ or failing him

1) Shri \_\_\_\_\_ of \_\_\_\_\_ having E-mail Id \_\_\_\_\_ or failing him

1) Shri \_\_\_\_\_ of \_\_\_\_\_ having E-mail id \_\_\_\_\_ or failing him

and whose signature (s) are appended below as my / our proxy to vote (on a poll) for me/us and on my/our behalf at the **31ST ANNUAL GENERAL MEETING** of the Company to be held at the Conference Hall of "The Ahmedabad Textile Mills Association, Near "Gurjari", Ashram Road, Ahmedabad -380 009 on Wednesday 23rd September, 2015 at 10.00 A.M any adjournment thereof in respect of such resolutions as are indicated below:

	Resolution	For	Against
1)	Audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.		
2)	Declaration of Dividend on Equity Shares.		
3)	Re-appointment of Shri Jayanti M. Sanghvi who retired by rotation		
4)	Ratification and Appointment of Joint Statutory Auditors		
5)	Appointment of Smt. Nidhi G. Gadhecha.		
6)	Approval of the Remuneration of Cost Auditors.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

Signature of shareholder

Affix  
₹ 1  
Revenue  
Stamp Here

Signature of the first proxy holder

Signature of the second proxy holder

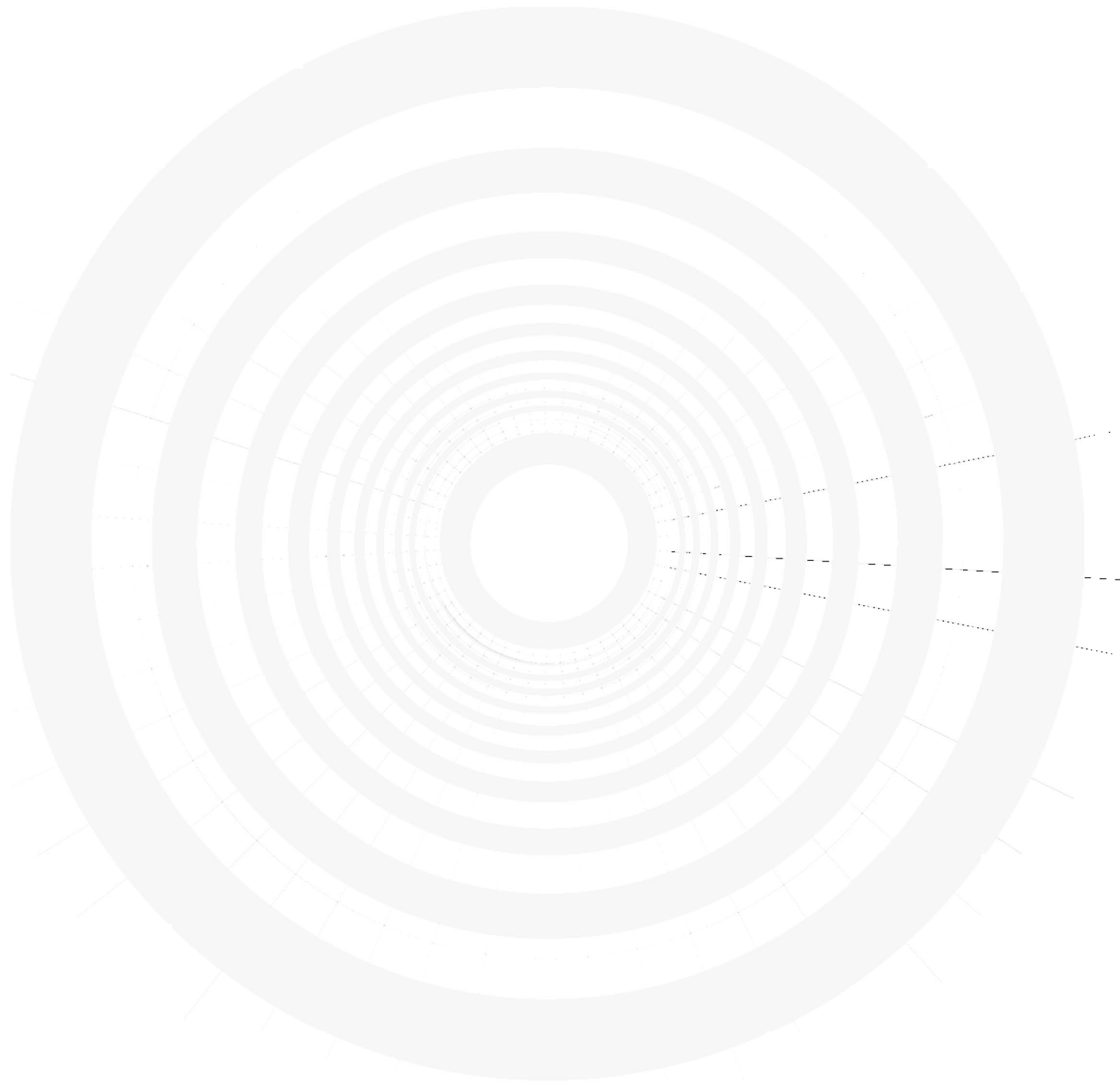
Signature of the third proxy holder

**Note :** The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

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# FOCUSED GROWTH

THE JOURNEY CONTINUES



31<sup>st</sup> ANNUAL REPORT 2014-15

# DISCLAIMER

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements, written and oral, that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussions of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe that we have been prudent in our assumptions. The achievement of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## ACROSS THE PAGES

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# Delivering excellence all over the world through Stainless Steel Tubes and Pipes

One of the leading  
Carbon Steel Pipes manufacturer in the country

## Vision

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

## Mission

- To be a leading tubes and pipes manufacturing company in stainless steel and carbon steel industry

## Product Mix

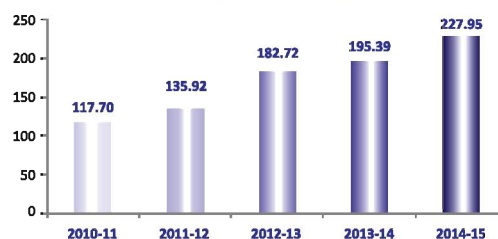
- **Stainless Steel Tubes & Pipes**  
Stainless Steel Seamless Tubes and Pipes  
Stainless Steel Welded Tubes and Pipes
- **Carbon Steel Pipes**  
High Frequency - Electric Resistance Welded (HF-ERW) Pipes  
Submerged Arc Welded (SAW) Pipes, like HSAW and LSAW Pipes
- **External and Internal Coating Solutions**

# 2015 IN FOCUS (STANDALONE)

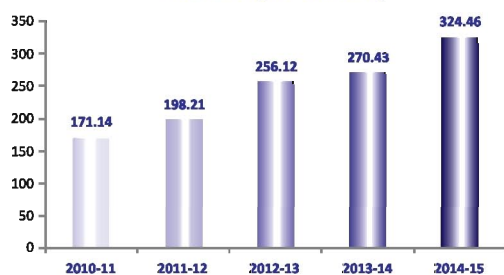
**REVENUE (NET) (₹ in Crores)**



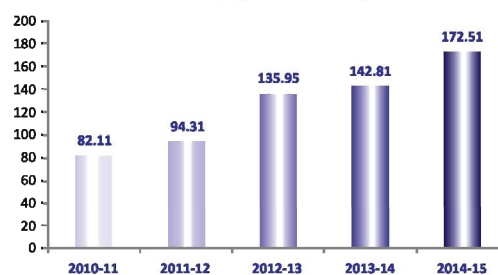
**CASH GENERATED FROM OPERATIONS  
(₹ in Crores)**



**EBIDTA (₹ in Crores)**



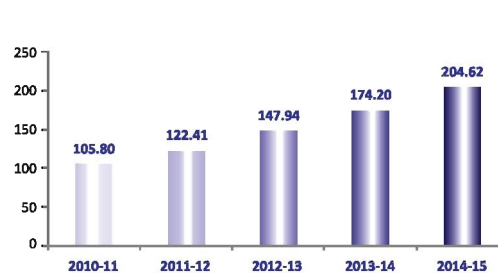
**PAT (₹ in Crores)**



**EARNING PER SHARE (₹)**



**BOOK VALUE PER SHARE (₹)**



**NET WORTH (₹ in Crores)**







## CHAIRMAN'S MESSAGE

**Dear Shareholders,**

My warm greetings to all of you. It gives me a great pleasure to once again reach you through this Annual Report and to share with you that during 2014-15, your company achieved another milestone by coming out with its best performance so far despite continuing global slowdown, more specifically in the Oil & Gas and Power sectors domestically as well as globally. Your company ended the year with an all-time high net revenue of ₹ 1700.66 crores

and all time high Profit After Tax of ₹ 172.50 crores. Despite the tight economic conditions, the fall in crude prices affecting the user industries and the investment in power sector not happening so far, this has been possible due to the team Ratnamani and I would like to congratulate all the members of the team Ratnamani for their confidence and belief in achieving a consistent growth in adverse situations also.

## **GENERAL ECONOMIC SCENARIO**

During the year under review, the global economy grew at around 2.6%, marginally higher than 2.5% achieved in 2013. The weaker than expected growth in Europe, Japan, oil dependent economies like Russia and Latin America impacted the recovery. The fall in crude prices had its impact on global economy and we have witnessed a large correction in majority of the commodities. During this period, our economy had witnessed developments, both positive and not-so-positive, in respect of economy, commerce, politics, international relations, national security and influences on account of global developments, etc. and the same have continued so far in the FY 2015-16.

Within the country, for the first time in last 30 years, a single party got the majority in Parliament. The new government has already started taking steps which will help fulfilling the aspirations of the general public and the business fraternity has from it. Post formation of a new government in the Center marking the beginning of a new era of confidence, hope and changes, the capital markets have, by and large, been buoyant. This was more backed and reflected in the General Budget presented by the Government with the announcements of opening up of different sectors like Foreign Direct Investment, growth in manufacturing sector by rolling out "Make in India" campaign while also putting focus on infrastructure sector. However, the general economic sentiments continue to be not so buoyant affecting the overall industrial growth.

The GDP growth, though improved compared to 2013-14, still continues to be much below what

can be achieved if major factors affecting the economy can be taken care. Lack of political consensus is impairing the development agenda and policy reforms initiated by the new Government. Despite this, it is heartening to note that quite a few infrastructure projects such as power, roads, irrigation, etc., have been kick-started and the states where such investments are being made are seeing economic recovery.

Globally, our country is once again being seen as a promising destination for investment and business. If the much desired policy reforms and 'ease of doing business' initiatives happen as announced and planned, this can be a major opportunity for industrial development and flow of capital and technology. If the monsoon turns out to be normal as is being expected, and the Government Investments in infrastructure happens as per plan, we can expect 2015-16 to be yet another year when GDP growth will be over 7%. And, the results of whatever steps are being taken at present, will be visible more strongly from 2016-17 onwards.

## **WAY FORWARD**

In the last decade, your company has invested heavily into capacity building and set-up manufacturing facilities which can be comparable to the best in the world particularly in Stainless Steel, and this has been with a good financial discipline. Today, your company has established itself as a leader in the high-end application Stainless Steel tubes and pipes segment within the country and is approved by all major players in Oil & Gas and Power sectors globally also.

Notwithstanding sluggish economic conditions, your company has continued to invest in new products, building markets, investing continuously in newer generation manufacturing facilities and in-house manufacture of higher grade products to meet the market demand and keeping the Company ready for meeting future demand, both domestic and global. Your company is highly focused towards taking orders that provide good margins and going forward, your company would

continue to remain focused on and further build upon its core strength, i.e. Stainless Steel tubes and pipes. As a part of the expansion, it is planned to add capacities for manufacture of higher diameter stainless steel seamless tubes and pipes where only few manufacturers are present in the global market at present. A wholly owned subsidiary has been setup in USA to establish company's name in the North American market which holds great opportunities and also explore the opportunities in Latin America.

Your company's strong de-risking strategy being pursued since last many years, has enabled it to withstand the onslaught of several external factors and remain fundamentally strong with a strong foundation for ensuring consistently improving earnings in the coming years.

## **FINANCIAL YEAR 2015-16**

I am pleased to share that during Q1 ended 30th June, 2015, when compared with the corresponding quarter of last year, Net Sales/ Income from Operations increased by 20.89% to ₹ 429.80 crores as against ₹ 355.52 crores; Profit before Tax (PBT) at ₹ 76.71 crores was higher by

31.53% as compared to ₹ 58.32 crores and Profit after Tax (PAT) at ₹ 49.92 crores was higher by 29.76% against ₹ 38.47 crores.

## **CONCLUSION**

As we enter 2016, we look forward to using the capacities optimally both for domestic and international markets and continue to invest in newer product developments and capacities. I would like to quote James Cash Peeny - "Growth is never by mere chance: it is the result of forces working together". I am confident that Ratnamani will continue to prosper for the benefit of all its stakeholders and always hold our success mantra "Prosperity through Performance".

On behalf of the Board of Directors, I wish to express our gratitude to our dedicated employees and their team work, support of esteemed bankers, government authorities and our customers and suppliers who are the pillars for our substantial progress and, to you our shareholders, for continuing to repose trust in us.

With warm regards,

**Prakash M. Sanghvi**  
Chairman & Managing Director

# Management Discussions and Analysis

## Indian and Global Economic Scenario

During the year 2014-15, the global economy grew at around 2.6%, only marginally higher than 2.5% achieved in 2013-14. The weaker than expected growth in Europe, Japan, oil dependent economies like Russia and Latin America and lower growth rates in majority of the emerging economies impacted the recovery. The fall in crude prices had its impact on global economy, more so, on the oil producing countries, and we have witnessed a large correction in prices of majority of the commodities. Domestically, things have been looking-up post formation of a new government in the Center. Indian economy did perform relatively better and grew by 7.2% as compared to 6.9% in 2013-14 mainly due to lower crude prices and the positive sentiments post formation of a single party government in the center.

Ratnamani mainly caters to capex demand from Oil & Gas, Water and Power sectors, and except water, demand from these sectors has been sluggish. Despite this, the Company was relatively better positioned with its wide size and grade range of Stainless Steel tubes and pipes, Carbon Steel welded pipes and coating related services in its manufacturing basket. Some of the domestic infrastructure projects like Gujarat Government's SAUNI project, drinking water projects in MP and Rajasthan and export order from DOW Chemicals in USA were helpful in withering the storm of uncertainty in the global markets for its CS Pipe Division. Stainless Steel Division is dependent mainly on investment in Oil & Gas and Power sectors, with the investment in downstream petrochemical projects by companies like Reliance and Oil PSUs within the country during last year contributing to this divisions performance significantly.

## Stainless Steel Tubes & Pipes

Major revenue of Stainless Steel Division comes

from sectors such as :

- 1) Oil & Gas and Petrochemicals & Refineries.
- 2) Power Generation - Thermal, Solar & Nuclear

### 1. Oil & Gas Sector

In the Oil & Gas sector, it is very well known that due to the surge in the production of shale gas particularly in US, the prices of crude oil have nosedived to a very low level. The low price of crude oil has put a lot of pressure on future investments mainly in oil exploration. There has been trickledown effect on investment in Refineries and Petrochemical complexes as a result thereof.

With this scenario at the background, investment by Oil & Gas and Petrochemicals & Refineries globally is expected to be subdued in the near future. As Oil & Gas and Petrochemicals & Refineries contribute almost 50% to the Stainless Steel Division's business, targeting any aggressive volume growth may be a challenge in near future. However, notwithstanding all these negative developments, oil producing countries, particularly in Middle East, are taking a fight into the shale gas producers and are promising new investments in their respective countries. At present, the projects where major investment is happening are - Nigeria approx. USD 11 billion (Dangote Refinery), Malaysia approx. USD 16 billion (Rapid Refinery), Egypt approx. USD 2.9 billion and Kuwait approx. USD 11.5 billion (KNPC). With a very large product basket and moderate capacities, it is expected that your company will be in a position to continue to get its share out of the opportunities. Apart from these opportunities, opening of Iran market once sanctions are removed can be another good opportunity.

The demand for the Company's products in Oil & Gas and Chemical units in the US is steady. Within the country, the total planned capacity addition in refining and downstream petrochemical projects by various refineries, as per the announcements from time to time, is expected to be approx. 74 mtpa with an estimated capex of more than

₹ 1.50 lac crores as already mentioned hereinabove. Accordingly, we expect the domestic demand to be good if the capex on various projects happens as planned.

Up-gradation of refineries could be a big opportunity. The Government of India has indicated in the recent past that existing refineries need to upgrade to be able to produce initially Euro IV and there after Euro V/VI fuels from Calendar Year 2019/2021 in order to reduce the carbon footprint and emissions. capex of approx. ₹ 80,000 crores would be the spent for the up gradation of existing refineries in the country over the next 5/6 years for reduction of sulphur content to 10 ppm to meet the Euro VI norms as per the report of Standing Committee on Petroleum and Natural Gas tabled in Parliament early this year. There is also need for some very old PSU refineries to upgrade their plants for competing better with private players. As per the report, projects worth ₹ 20,000 crores have already been approved for meeting Euro IV norms. Though no concrete announcements have been made for the balance capex for plant up-gradations by any major PSU refiners, looking to the likelihood of the same in future, it could be a big opportunity for various high end application products for up-gradation of refineries.

## **2. LNG Business**

One sector, where good demand potential is there, is the LNG business. This business is likely to grow not only in Indian subcontinent but across the globe due to the increased availability of gas at a cheaper price. Your company is putting up facilities to meet the requirement of supply of pipes to this sector and the required manufacturing facilities should be ready by end of the financial year 2015-16. The benefit of this may get reflected in the coming years.

Within the country, if the planned capex on various projects in refining, petrochemicals, thermal and nuclear power and fertilizer as announced happens, the total business opportunity for Stainless Steel tubes and pipes could be substantial.

## **3. Thermal & Solar Power Sector**

As far as the requirement in the power sector is concerned, positive signs, particularly in the Indian region, Far East and Japan, are being seen. Lots of power plants have been cleared by NTPC as well as by the State Governments, which are basically thermal power plants. Analysis of the capacity addition in the thermal power sector in last few five year plan documents reveal that the targeted capacity additions and corresponding execution rate have increased materially. Planned addition in capacity has gone up approx. 2.5x (from 9th plan to 12th plan) and the implementation rate, which was quite low at 46-48% (9th & 10th plan) increased to 81% in 11th plan and is 95%+ in the 12th plan. Demand in this sector may be good not only in this financial year but may spread across to the coming years also.

In the export markets for this sector, large investment are being made in South East Asian countries like Malaysia, Indonesia, Vietnam etc., wherein the power plants are being built by Japanese or Koreans. With the Company's products being well-established with Japanese and Korean power equipment manufacturers, a steady business in the above sector from this region is expected.

Added to the above, with the ban in the Nuclear Power Plants in Japan after Fukushima incident, all their Thermal power plants are being refurbished. These activities need lot of products which the Company manufactures and a steady business in Japan is expected.

## **4. Nuclear Power Sector**

As far as Nuclear power sector is concerned, the Company has successfully completed the supply of Moderator Heat Exchanger tubes and Instrumentation tubes for Kakrapar and Rajasthan projects of NPCIL. The Company has also successfully established product quality for the supply of Incoloy 800 tubes.

The Company also expects to receive approvals from NPCIL/BHEL for manufacturing Steam

Generator tubes for the Indian Nuclear programme. With this approval, your company will be into a different league not only in the domestic sector but also globally. This type of approval enhances our responsibility to a new level to produce tubes of very high quality and set a very high standard in supply of our products for nuclear programme.

## 5. Export business

Your company is approved by majority of large players in Oil & Gas and Power sectors globally such as Saudi Aramco, Fluor, PDO, SABIC, Exxon, Toshiba, MHI, IHI, KNPC, Dow Chemicals, etc. In Stainless Steel, almost 40% of turnover has been coming from exports and efforts are being made to ensure that we continue to maintain this share, notwithstanding the challenging scenario in Oil & Gas sector at present.

## Carbon Steel Pipes

Large numbers of projects in the field of Water, Oil & Gas and Power sectors have been announced by the government. If the investment happens as announced, this will help to open more opportunity for all pipe manufacturers in India.

Your company gets major share of its business from Oil & Gas and Power Sectors. Recently, the Water sector has also emerged as one big opportunity and a major contributor to the Carbon Steel division's performance. The total planned capacity addition in refining and downstream

petrochemical projects by various refineries, as per the announcements from time to time, is expected to be approx. 74 mtpa with an estimated capex of more than ₹ 1.50 lac crores. Similarly, in the thermal and nuclear power and fertilizer sector, capex is expected to be over ₹ 2 lac crores in next 5/6 years.

Companies like RIL, GAIL, IOCL, BHEL, Cairn, ONGC, BPCL, Haldia Refinery, NRL, etc. have been considering either increasing the capacities or setting-up new capacities since some time and once the policy framework facilitating speedy clearances, including environment is in place, good opportunities for both, Stainless, as well as Carbon Steel products of the Company can be expected.

Apart from Oil & Gas, various state governments have announced water projects which will also have a huge requirement of larger diameter pipes. Especially Gujarat's SAUNI Project II Phase, river link project of M. P., Rajasthan drinking water pipe line and large diameter pipe line for water supply in the state of Telangana and Andhra Pradesh are expected to open an opportunity for your company to secure orders by participating in various tenders called by these states.

Though your company has very small capacities for line pipes required by Oil & Gas industry globally, there seems to be enough demand potential if we look at global demand scenario for Carbon Steel pipes as is evident from the following data:

Region	Number of Projects	Approx. MT ('000)	Amount (\$ Bln)
North America	340	19,616	89
Europe	169	16,392	74
Middle East	109	12,396	43
Latin America	82	16,617	81
Africa	77	5,292	29
Australasia	55	8,580	29
Asia	79	22,223	77
<b>Total</b>	<b>911</b>	<b>1,01,116</b>	<b>422</b>

(taken from simdex March 2015)

## Make in India

Make in India is an initiative of the Government of India to encourage companies to manufacture their products in India. It was launched by Prime Minister Shri Narendra Modi on 25 September 2014.

The major objective behind the initiative is to focus on 25 sectors of the economy for job creation and skill enhancement. Some of these sectors where Stainless Steel pipes & tubes and Carbon Steel pipes will have opportunity are: Defence, automobiles, chemicals, pharmaceuticals, ports, aviation, railways, auto components, mining, biotechnology and power. The initiative hopes to increase GDP growth and tax revenue and attract capital and technological investment in the country. It also aims at high quality standards and minimising the impact on the environment. The early signs look exciting for the future of the country.

The slogan "Make in India" is encouraging for all Indian manufacturer. Though it's a long journey to set all the parameters, which can establish India as a manufacturing hub, it's a very optimistic step to believe in ourselves.

With the promotion of "Make in India", a large number of investors are evaluating opportunities to invest in India in various fields. In each of his visits to various counties, our Prime Minister has signed agreements with Interested business houses.

Your company has International presence for its products, which will definitely help it to get preference for supply of the products when International business houses start investing in India. Your company is registered with various known international and national level EPC contractors, which will be a nice platform to encash the opportunities.

## Environment & Safety

Ratnamani is committed to comply with statutory requirements related to environment, health &

safety and to prevent pollution, injury & ill health through continual improvement in processes, practices & EHS awareness. Your company not only cares of compliances in this aspect but also the contribution towards society health, safety & green environment. Various activities & programs are conducted for awareness, interest amongst employees of Ratnamani to maintain ethical & social growth.

## Outlook

While the domestic and international economic conditions continue to remain challenging, and are expected to remain thus for some time to come, we expect that with its wide range of products, quality standards and team efforts, your company will be in a position to wither this situation also. Your company has continued to be the preferred supplier for many leading companies and has been successful in expanding its approval base, adding leading players from industrially developed countries. Therefore, we expect that your company will continue to be in a position to gradually expand its market reach and market share as per opportunities.

## Industrial Relations And Human Resources

As the Company continues to grow, the focus has been on enhancing morale and capabilities of employees. The staff and workers are provided orientation and training for the development of soft and hard skills on a regular basis. Human resources are the precious asset of your company, Efforts are made to improve the performance, providing work satisfaction and performance based increments, safety and social status. The industrial relations remained cordial at all organizational levels and work places. The Company makes regular efforts to maintain relation with Stakeholders by transparency, good governance, regular communications and efficient & effective transactions.



## **New SS Seamless facility at Indrad**







## Board of Directors

### **Shri Prakash M. Sanghvi**

Shri Prakash M. Sanghvi is the promoter of the Company and Executive Director on the Board of the Company. He has over 38 years of experience in the Metal Industry and overall Corporate Management covering corporate strategy, developments to functional management.

With his unmatched leadership and strong business acumen, the Company has achieved new milestones year after year on a consistent basis and expanded its presence and built stakeholder's value.

### **Shri Jayanti M. Sanghvi**

Shri Jayanti M. Sanghvi is the promoter of the Company and Executive Director on the Board of the Company. He has over 35 years of experience in Corporate HR Management, Administration, Corporate Communication, liasoning and Corporate Procurement.

His strong management skills and ability to nurture talents and zeal for efficiency has resulted into sustainable growth and the Company's global footprints.

### **Shri Shanti M. Sanghvi**

Shri Shanti M. Sanghvi is the promoter of the Company and Executive Director on the Board of the Company. He has over 33 years of experience in Corporate Relations, Business Development and Customer management.

His excellent management skills have contributed to business growth and development of the Company.

### **Shri Divyabhash C. Anjaria**

Shri D. C. Anjaria is an independent non-executive Director on the Board of the Company having rich experience in the field of international finance and financial markets. Mr. Anjaria is an MBA from IIM, Ahmedabad and has worked with Citibank and UTI.

### **Dr. Vinod M. Agrawal**

Dr. V. M. Agrawal is an Independent non executive Director on the Board of the Company with soft business skills.

### **Shri Pravinchandra M. Mehta**

Shri P. M. Mehta is an Independent non-executive Director on the Board of the Company. Mr. Mehta has vast experience in engineering industry, having spent his entire career in the leading engineering corporate M/s. Larsen & Toubro Ltd.

He was an Executive Director on the Board of Larsen & Toubro Ltd. and was in-charge of nine different business units located all over the country. He is extensively experienced in the area of Engineering, Technologies and international businesses.

### **Smt. Nidhi G. Gadhecha**

Smt. Nidhi G. Gadhecha is an independent non-executive Director on the board of the Company, Smt. Gadhecha is a Chartered Accountant by qualification.

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



# **STATUTORY SECTION**

## **31<sup>st</sup> ANNUAL GENERAL MEETING**

NOTICE for the Thirty-first Annual General Meeting of the Members of RATNAMANI METALS & TUBES LTD to be held on Wednesday, 23rd September, 2015 at 10:00 a.m. at the Conference Hall of "The Ahmedabad Textile Mills Association". Near "Gurjari" Ashram Road, Ahmedabad - 380009 is sent herewith separately.

# DIRECTORS' REPORT

## Dear Shareholders,

Your Directors have pleasure in presenting the 31st Annual Report of your company along with the Audited Financial Statements of the Company for the year ended 31st March 2015.

### 1. Financial Results at a Glance

Particulars	(₹ in lacs)	
	Financial Year ended 31st March, 15	Financial Year ended 31st March, 14
Net Revenue from Operations	167555.32	135296.00
Profit before Depreciation and Tax	31508.70	26008.67
Profit before Tax	26072.98	21422.19
Profit after Tax	17250.80	14280.82
Add: Balance brought forward from previous year	19959.07	17136.03
Amount available for appropriation	37209.87	31416.85
<b>Appropriations</b>		
Proposed Dividend	2570.04	2100.76
Tax on Dividend	523.20	357.02
General Reserve	10000.00	9000.00
Closing Balance	24116.63	19959.07
Earning Per Equity Share (EPS) of face value of ₹2 each (diluted)	36.94	30.49

### 2. Operational Review / State of the Company's affairs

During the year under review, global economy continued to remain under pressure. The growth rates fell mainly in all the emerging economies, and the major economies such as China, Japan and Euro zone showed signs of slow down. USA was better placed amongst the developed economies. Within the country, there were signs of improvement post formation of the new Government in the Center and ours was one of the better performing economies growing by 7.2% compared to 6.9% in 2013-14. During the year under review, the Company has not changed any of its Business.

Lower crude prices and the initial positive sentiments due to a new government being in the Center helped improving the general economic scene. Lower inflation and resultant moderate reduction in effective interest rates also helped to some extent. However, the major revival of the economy in general is yet to take place. Notwithstanding these not so positive economic conditions, your company was in a position to perform relatively better, mainly because of orders from infrastructure and Oil & Gas projects. During this year, your company's net revenues grew by 23.84% while Profit Before Tax grew by 21.71%. The Profit After Tax was higher by 20.80%.

### 3. Dividend

The Board is pleased to recommend a dividend of ₹ 5.50/- per Equity Share having face value of ₹ 2/- each (i.e. 275% on the paid-up capital) for the year ended 31<sup>st</sup> March 2015 for consideration of the Members at the ensuing Annual General Meeting. The total dividend payout for the financial year 2014-15 shall be ₹ 3093.24 lacs comprising of dividend amounting to ₹ 2570.04 lacs and dividend tax of ₹ 523.20 lacs.

### 4. Transfer to General Reserve

A sum of ₹ 10,000 lacs has been transferred to the General Reserve of the Company for the financial year 2014-15.

## **5. Share Capital**

The paid up Equity Share Capital as on March 31, 2015 was ₹ 934.56 Lacs.

## **6. Allotment of shares under employee stock options**

During the year under review, 44,550 equity shares were allotted on exercise of the options granted under ESOS, 2006. Total 5,22,000 options lapsed on expiration of the scheme on 31st October, 2014.

## **7. Finances**

The Company has repaid the installments of Long Term ECB amounting to ₹ 818.00 Lacs during the current year. The outstanding amount of Long Term ECB as on 31st March, 2015 was equivalent to ₹ 1681.60 Lacs.

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which these financial statements relate and the date of this Report.

## **8. Fixed Deposits**

Your Company has not invited or accepted any deposits from the shareholders and public during the year. There are no outstanding and overdue deposits as at 31st March, 2015.

## **9. Particulars of loans , guarantees or investments under Section 186**

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

## **10. Directors and Key Managerial Personnel**

### **A) Directors**

- a) Shri Jayanti. M. Sanghvi will retire at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for reappointment.
- b) Pursuant to the Provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule IV to the Companies Act, 2013, your Directors appointed Smt. Niddhi G. Gadhecha as an Additional Director of the Company to hold office upto the ensuing Annual General Meeting.

The Company has received notice together with requisite deposit of ₹ 1 Lac under Section 160 of the Companies Act, 2013, from a member of the Company proposing the candidature of Smt. Niddhi G. Gadhecha as an Independent Director, for a continuous term upto the conclusion of 35th Annual General Meeting to be held in the Year 2019. Her office as Independent Director shall not be subject to retirement by rotation.

Details of the proposal for appointment of Smt. Niddhi G. Gadhecha are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the ensuing Annual General Meeting.

- c) The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as per Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.
- d) **Annual Evaluation of Directors**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

e) **Remuneration Policy**

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration as recommended by the Nomination & Remuneration Committee. The Remuneration Policy is stated in the Corporate Governance Report.

- f) The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: [http://www.ratnamani.com/investors\\_relations.html](http://www.ratnamani.com/investors_relations.html)

**B) Key Managerial Personnel**

Mr. Rajeev Mundra has been appointed as a Company Secretary and Compliance officer of the Company in the Board meeting held on 21st May, 2014 and resigned in the Board meeting held on 7th August, 2015.

Mr. Jigar Shah has been appointed as a Company Secretary and Compliance officer with effect from 20th August, 2015.

**11. Statutory Auditors**

In compliance with the Companies (Audit and Auditors) Rules, 2014, M/s. Mehta Lodha & Co., Chartered Accountants and M/s. S.R.B.C & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, have been appointed as Statutory Auditors of the Company to hold office till the conclusion of the 33rd and 35th Annual General Meeting respectively, as approved by the members at their 30th Annual General Meeting held on 11th September, 2014.

Further, pursuant to the requirement of Section 139 of the Companies Act, 2013, the appointment of Statutory Auditors is to be ratified by the members at every Annual General Meeting. Members are requested to ratify their appointment for the F.Y. 2015-16.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**12. Cost Auditors**

Your Directors have, on the recommendation of the Audit Committee, appointed M/s N. D. Birla & Co., Cost Accountants to audit the Cost accounts of the Company for the financial year 2015-16 on a remuneration of ₹ 1,00,000/- plus taxes as applicable and out of pocket expenses. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to M/s N.D. Birla & Co., Cost Accountants is included at item No. 6 of the Notice convening the Annual General Meeting. The Cost Auditors' Report does not contain any qualification, reservation or adverse remark.

**13. Secretarial Audit Report**

In line with the requirements of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with other applicable provisions, if any; the Board of Directors of the Company had appointed M/s M. C. Gupta & Co. Company Secretaries to conduct Secretarial Audit of the Company for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed with the Directors' Report and forms part of the Annual Report as given in **Annexure-"H"**.

**14. Credit Rating**

CRISIL has upgraded the rating for the Company's long-term borrowings to "AA" from "AA(-)" and reaffirmed "A1 +" (A1 plus) for its short-term borrowings.

## **15. Subsidiaries and Consolidated Financial Statement**

During the year under review, the Company has setup a Wholly Owned Subsidiary in the State of Delaware, USA in the name "**Ratnamani Inc**". A report on the performance and financial position of the subsidiary is given in **Annexure-"B"**. Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to Clause 32 read with Clause 41 of the Listing Agreement entered into with the Stock Exchanges and prepared in accordance with Accounting Standard 21 (Consolidated Financial Statements) of the Institute of Chartered Accountants of India, for financial year ended March 31, 2015. The Consolidated Financial Statements presented by the Company include financial results of its subsidiary company.

## **16. Particulars of Employees**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is set out in **Annexure-"F"** forming part of this report.

## **17. Risk Management**

Your company has an elaborate Risk Management procedure covering Business Risk, Operational Controls Assessment and its Policy and Compliance processes. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Some of the identified risks relate to currency exchange and raw material cost volatility. Your company has set up a new Risk Management Committee in accordance with the requirements of Listing Agreement to monitor the risks and their mitigating actions. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

Foreign Exchange transactions are fully covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. There are no materially significant uncovered exchange rate risks in the context of company's imports and exports. The Company accounts for mark-to-market gains or losses every quarter end, in line with the requirements of Accounting Standard 11. The details of foreign exchange earnings and outgo as required under Section 134 and Rule 8(3) of the Companies (Accounts) Rules, 2014 are mentioned in **Annexure-"A"**.

## **18. Internal Control Systems and Their Adequacy**

The Company has Internal Control Systems, commensurate with the size, scale and complexity of its operations. The Internal Audit function is handled by an external firm namely M/s. G. K. Choksi & Co. Chartered Accountants. The internal control systems are regularly being reviewed by the Company's Internal Auditors with a view of ensure that these are working properly and wherever required, are modified / tighten to meet the changed business requirements. All the process owners are certifying the compliance to all applicable rules, regulations and laws every quarter to the Board and are responsible to ensure that internal controls over all the key business processes are operative. The scope of the Internal Audit is defined and reviewed every year by the Audit Committee and inputs, wherever required, are taken from the Statutory Auditors.

The Internal Auditors look into and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Auditors, major audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

## **19. Directors' Responsibility Statement**

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

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

- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period.
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. the Directors had prepared the Annual Accounts on a 'going concern' basis.
- e. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. the Director had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 20. Corporate Governance Report and Management's Discussion and Analysis Report

Your company is committed to the tenets of good Corporate Governance and has taken adequate steps to ensure that the requirements of Corporate Governance as laid down in Clause 49 of the Listing Agreement are complied with. The details are given in **Annexure-"C"**.

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

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

The Board has received CEO/CFO Certification under sub-clause V of the Clause 49 of the Listing Agreement.

As per Clause 49 of the Listing Agreement with the Stock Exchanges, the Corporate Governance Report, Management Discussion and Analysis and the Secretarial Auditor's Certificate regarding compliance of conditions of Corporate Governance are attached and form part of the Annual Report.

## 21. Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo

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

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

## 22. Corporate Social Responsibility (CSR)

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at the link: [http://www.ratnamani.com/corporate\\_social\\_responsibility.html](http://www.ratnamani.com/corporate_social_responsibility.html)

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

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

- a. Education: Access to quality education, training and skill enhancement.
- b. Environment: Environmental sustainability, ecological balance, conservation of natural resources.
- c. Rural Transformation: Provision of drinking water, sewage facilities, sanitation facilities and roads.
- d. Health: Affordable solutions for healthcare through improved access and awareness.
- e. The Company would also like to undertake other need-based initiatives in future.

During the year, the Company has spent ₹ 157.46 lacs out of ₹ 362.20 lacs (2% of the average net profits of last three financial years) on CSR activities. The Annual Report on CSR activities is annexed herewith marked as **Annexure-"D"**. The reasons for not spending total amount are mention therein.

## **23. DISCLOSURES:**

### **Vigil Mechanism**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement. Protected disclosures can be made by a whistle blower through an e-mail, or a letter to the Chairman of the Audit Committee.

The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: [http://www.ratnamani.com / downloads / investors\\_information / VIGIL%20MECHANISM-POLICY.pdf](http://www.ratnamani.com / downloads / investors_information / VIGIL%20MECHANISM-POLICY.pdf)

### **Related Party Transactions**

All the related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company.

All Related Party Transactions have been placed before the Audit Committee and also the Board for approval.

The Company has framed a Related Party Transactions Policy for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at link [http://ratnamani.com / downloads / investors\\_information/RELATED\\_PARTY\\_TRA\\_POLICY.pdf](http://ratnamani.com / downloads / investors_information/RELATED_PARTY_TRA_POLICY.pdf).

Since all related party transactions entered into by the Company were in ordinary course of business and were on an arm's length basis, form AOC - 2 is not applicable to the Company.

### **Meetings of the Board**

Five meetings of the Board of Directors were held during the year. For further details, please refer report on Corporate Governance on page no. 24 of this Annual Report.

### **Extract of Annual Return**

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

### **Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013**

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



During the financial year 2014-15, there was no complaint/case of sexual harassment and hence no complaint remains pending as of 31 March, 2015.

### **General**

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

- a. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- c. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- d. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future.

### **Appreciation**

Your Directors wish to place on record their gratitude for the valuable guidance and support rendered by the Government of India, various State Government departments, Financial Institutions, Banks and various stakeholders, such as, shareholders, customers and suppliers, among others. The Directors also commend the continuing commitment and dedication of the employees at all levels, which has been critical for the Company's success. The Directors look forward to continued support of all stakeholders in future also.

**For and on behalf of the Board of Directors**

Place : Ahmedabad  
Date : August 7, 2015

**Prakash M. Sanghvi**  
Chairman and Managing Director  
DIN : 00006354

# ANNEXURE : A

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

### (A) Conservation of Energy :

The Company is constantly striving to have high degree of optimization, conservation of energy and absorption of technology. Major initiatives taken by the Company during the financial year 2014-2015 are listed below:

#### (a) Energy Conservation measures taken :

- i. Installation of electronic controlled soft starters in place of conventional motor starters.
- ii. Replacement of conventional slip ring motors by energy efficient motors with electronic controllers in EOT cranes.
- iii. Installation of Capacitor bank with automatic power factor controlling device to improve power efficiency.
- iv. Use of LED lamps in place of conventional and CFL lamps.
- v. Installation of sensors in pipe conveyor system to stop the conveyor system when running idle.
- vi. Installation of LED Street Lights in place of Metal Halide lamps and also installation of Auto timers in Street Lights.
- vii. Retrofitting of Deckel make CNC machine in to milling machine thereby enhances the productivity of work shop and decreases loads of other milling machine.

#### (b) Steps taken by the Company for utilising alternate sources of energy:

The Company has been regularly investing in Renewable Energy source, mainly Wind Energy. It already has 13.5 MW of Wind Energy capacity for meeting its captive power requirements. During the year 2014-15, orders have been placed for additional 4MW of Wind Mills for captive requirement. Once commissioned, the installed capacity of Wind Mills for captive requirements will be 17.5 MW, meeting a significant part of the Company's power requirements.

#### (c) Additional investments being made and proposals being implemented:

- i. Installation of variable frequency drives in Dust collector blowers and air compressor to reduce energy consumption by upto 10%.
- ii. Installation of Electronically controlled solenoid valves in compressed air line to control air consumption and reduce energy consumption.
- iii. Addition of New Cutting & Deburring machine with fully automation through VFDs and Servo Drives mechanism resulted in reduction in energy consumption of 20% to 30%.

#### (d) Impact of measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;

- i. Non-production related Energy consumption is expected to reduce significantly.
- ii. Once the Wind Mills are commissioned, the effective power cost will further reduce to the extent of incremental power generation from the newer Wind Mills.
- iii. Advance and energy efficient machineries results in reduction of energy consumption, cost reduction and noise pollution.

**(B) Technology Absorption**
**Research and Development (R&D)**

- a) Efforts made in technology absorption: No efforts has been made during the year for technology absorption in Company.
- b) Benefits derived as a result of the above efforts : Nil
- c) the Company has not imported any technology during the under year review.
- d) the expenditure income on Research & Development: No expenditure income on Research & Development.

**(C) Foreign Exchange Earnings and Outgo**

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

The Company is exporting its products across the Globe, mainly to countries like USA, Japan, South Korea, Middle East, etc. During 2014-15, a wholly owned subsidiary has been incorporated in USA to cater to North as well as South American markets. The Company is striving to increase its exports reach through various business initiatives. The Company keeps close watch on global developments with an aim to cater to global requirements to the maximum extent possible. The Company has its clients in more than 20 countries across the world.

- ii. Total foreign exchange used and earned:

(₹ In Lacs)

Particulars	Current year 2014-15	Previous year 2013-14
Foreign Exchange Earning (FOB)	₹ 36,118.53	₹ 31,120.51
Foreign Exchange Outgo	₹ 46,047.28	₹ 27,803.45

# ANNEXURE : B

## SALIENT FEATURES OF FINANCIAL STATEMENT OF SUBSIDIARY AS PER COMPANIES ACT, 2013

Sr. No.	1	
Name of subsidiary	Ratnamani Inc.,USA	
Reporting period	From 12th June, 2014 to 31st March, 2015	
<b>Reporting currency</b>	<b>USD</b>	<b>INR(Rs./Lacs)</b>
Share capital	10,000.00	6.08
Reserves & surplus	155,499.73	96.90
Total Assets	377,511.80	234.89
Total Liabilities	212,012.07	131.91
Investments	-	-
Turnover	9,473,305.37	5,791.51
Profit before taxation	227,458.58	139.07
Provision for taxation	71,958.85	44.77
Profit after taxation	155,499.73	94.30
Proposed Dividend	-	-
% of Shareholding	100%	
Exchange Rate as at 31st March, 2015	1 USD = INR 62.22	

Note : 1) The Company has no Joint venture / Associates Companies.

2) None of the subsidiaries have been liquidated or sold during FY 2014-15.

As per our report of even date

**For Mehta Lodha & Co.**  
Chartered Accountants  
Firm Registration No: 106250W

**per PRAKASH D. SHAH**  
Partner  
Membership No. 34363

**For S R B C & Co. LLP**  
Chartered Accountants  
Firm Registration No: 324982E

**per ARPIT K. PATEL**  
Partner  
Membership No. 34032

**For Ratnamani Metals & Tubes Limited**

**P. M. SANGHVI**  
Chairman and  
Managing Director

**S. M. SANGHVI**  
Whole Time Director

**DR. V. M. AGRAWAL**  
Director

**NIDHI GADHECHA**  
Director

**VIMAL KATTA**  
Vice President (Finance)

**J. M. SANGHVI**  
Whole Time Director

**D. C. ANJARIA**  
Director

**P. M. MEHTA**  
Director

**RAJEEV MUNDRA**  
Company Secretary

Place : Ahmedabad  
Date : May 7, 2015

# **ANNEXURE : C**

## **CORPORATE GOVERNANCE REPORT**

### **CORPORATE GOVERNANCE**

#### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Your Company believes in optimising business performance through corporate governance. The Company's governance is committed to values being the transparency, integrity, accountability, self-discipline, respect and professionalism. The Company constantly endeavours to create and put in practice the procedures and systems which follow the best Corporate Governance practices and policies thereby aiming at building the value for all its stakeholders and be the benchmark in the Corporate Citizenship.

Your Company confirms the compliance of mandatory requirements of the Corporate Governance as stipulated under Clause 49 of Listing Agreement with Stock Exchanges, the details of which are given herein under:

#### **1) BOARD OF DIRECTORS**

The business of the Company is conducted under the directions of the Board. The Board formulates strategy, regularly reviews the performance of the Company and ensures that the projected targets and agreed objectives are met on a consistent basis. The Board has constituted Committees, which guide the matters delegated to them in accordance with their terms of reference. The Executive Directors / Senior Managerial Personnel / Functional Heads assist the Chairman and Managing Director and the Senior Managerial Personnel / Functional Heads assist the Executive Directors in overseeing the functional matters of the Company.

##### **Composition of the Board**

The Board of Directors of your company consists of balanced blend of Executive and Non-Executive Directors and represents the optimum combination of professionalism, knowledge and experience. Your Company immensely benefits from the professional expertise of the Independent Directors in their individual capacity as Professionals / Business Executives and through their valuable experience.

The Executive Chairman heads the Board. The total strength of the Board of Directors of the Company is seven Directors as on 31st March 2015 comprising three Executive Directors and four Non-Executive Directors.

The composition of the Board of Directors with reference to the number of Executive and Non-Executive Directors meets the requirement of the Corporate Governance as stipulated under Clause 49 of Listing Agreement.

The details of composition of the Board as on 31st March 2015 and other information are given herein below:

Category	Name of the Director	Position	No. of other Directorships	Memberships/ Chairmanships of Committees		No. of Equity Shares held 31-03-2015
				Memberships	Chairmanship	
Promoter Executive						
	Shri Prakash M. Sanghvi	Chairman & Managing Director	1	-	-	5369610
	Shri Jayanti M. Sanghvi	Whole-time Director	1	1	-	3776435
	Shri Shanti M. Sanghvi	Whole-time Director	-	-	-	1766995
Independent Non-Executive	Shri D. C. Anjaria	Independent Director	4	4	4	22465
	Dr. V. M. Agrawal	Independent Director	-	2	-	27500
	Shri P. M. Mehta	Independent Director	-	1	-	10000
	Smt. N. G. Gadhecha*	Independent Women Director	-	-	-	-

\*Appointed as an additional Director w.e.f. 06/11/2014

**Notes:**

1. Shri Prakash M. Sanghvi, Shri Jayanti M. Sanghvi and Shri Shanti M. Sanghvi are brothers and related to each other.
2. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than five Committees (as specified in Clause 49 of the Listing Agreement) across all the Companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

**Directors' Attendance Record for the year ended 31st March, 2015**

Name of the Director	No. of Board Meetings held during the period when the Director was on Board	No. of Board Meetings attended	Presence at the last AGM
Shri Prakash. M. Sanghvi	5	5	Yes
Shri Jayanti M. Sanghvi	5	5	Yes
Shri Shanti M. Sanghvi	5	4	Yes
Shri D. C. Anjaria	5	5	Yes
Dr. V. M. Agrawal	5	5	Yes
Shri P. M. Mehta	5	5	Yes
Smt. N. G. Gadhecha *	1	1	N A

\* Appointed as an additional Director w.e.f. 06/11/2014

During the Financial Year 2014-15, five Board Meetings were held on 21st May 2014, 9th June, 2014, 6th August, 2014, 6th November, 2014 and 29th January, 2015 and the gap between two meetings did not exceed four months period.

**Independent Directors' Meeting**

During the year under review, the Independent Directors met on 29 January, 2015, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of Information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

### **Familiarisation Programme for Independent Directors**

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

### **Evaluation of the Board's Performance**

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

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

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

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

### **Board Meetings, Board Committee Meetings and Procedures**

The Board meets at least once in a quarter with a gap between two meetings not exceeding four months. Additional meetings of the Board are held when deemed necessary to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors. The meetings are usually held at the Company's offices.

The Agenda and the papers for consideration at the Board Meeting are circulated to the Directors in advance. Adequate information is circulated as part of the Board papers and is made available at the Board Meeting to enable the Members of the Board to take vital decisions. Senior Executives are invited to attend the Board Meetings as and when required.

The information as required under Annexure to Clause 49 of the Listing Agreement is being made available to the Board.

The Company ensures compliance of various statutory requirements by all its divisions and obtains quarterly reports in the form of certificates from the heads of the divisions. These certificates are placed before the Board on quarterly basis.

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

## **2) BOARD COMMITTEES**

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

The Company has following committees :

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Stakeholders Relationship Committee
- iv. Corporate Social Responsibility Committee (CSR)
- v. Share Transfer Committee
- vi. Committee for Share Allotment under ESOS
- vii. Risk Management Committee
- viii. Project Review Committee
- ix. Cost Reduction and Performance Review Committee

## 2.1 Audit Committee

### *Composition*

The Audit Committee comprises of two Non-Executive Independent Directors who are eminent professionals and one Executive Director.

The members of the Audit Committee comprise of Shri D. C. Anjaria, an ex-banker and financial expert, who is the Chairman of the Committee, Dr. V. M. Agrawal, an eminent professional and Shri Jayanti M. Sanghvi, Whole-time Director.

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

The Company Secretary acts as the Secretary to the Committee.

### *Meetings and Attendance*

During the year, four meetings of the Audit Committee were held on 19th May 2014, 5th August 2014, 5th November 2014 and 28th January 2015. The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company.

The following table summarises the attendance of the Committee members:

Name of the Director	Category	Status	No. of Meetings held	No. of Meetings attended
Shri D. C. Anjaria	Independent Non-Executive	Chairman	4	4
Dr. V. M. Agrawal	Independent Non-Executive	Member	4	4
Shri J. M. Sanghvi	Promoter Executive	Member	4	4

Overall Attendance: 100%

The meetings of the Audit Committee during the year were held as per Clause 49 of the Listing Agreement. Minutes of each Audit Committee Meeting are placed and discussed in the meeting of the Board of Directors.

### *Terms of reference*

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's Internal Control and Financial Reporting Process. The terms of reference of the Audit Committee are in accordance with all the items listed in Clause 49 of the Listing Agreement and inter-alia performs the following functions:

- i. The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;



- ii. Review and monitor the auditor's independence and performance, and effectiveness of audit process
- iii. Examination of the financial statement and the auditors' report thereon
- iv. Approval or any subsequent modification of transactions of the company with related parties
- v. Scrutiny of inter-corporate loans and investments
- vi. Valuation of undertakings or assets of the company, wherever it is necessary
- vii. Evaluation of internal financial controls and risk management systems
- viii. Monitoring the end use of funds raised through public offers and related matters

#### *Powers*

The Audit Committee has the following powers:

- i. To investigate any activity within its terms of reference.
- ii. To seek any information from any employee.
- iii. To obtain outside legal and professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers it necessary.

#### *Internal Audit*

The Company has engaged a firm namely M/s. G. K. Choksi & Co. Chartered Accountants which is conducting internal audit. The internal auditors present Internal Audit Report at every quarterly meeting to the Audit Committee covering the compliance of Internal Control Systems, their adequacy and efficacy, the high risk areas and actions taken by the management to mitigate the same.

## **2.2 Nomination and Remuneration Committee**

#### *Composition*

Pursuant to the section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchanges, Nomination and Remuneration Committee of the Board was reconstituted and renamed on 09 June, 2014 to determine the Company's policy on nomination and specific remuneration packages for Executive Directors including their pension rights and compensation payment.

The members of the Nomination and Remuneration Committee comprise of Shri D. C. Anjaria, an ex-banker and financial expert who is the Chairman of the Committee, Dr. V. M. Agrawal and Shri P. M. Mehta who are eminent professionals.

#### *Meetings and Attendance*

The meeting of the Nomination and Remuneration Committee was held on 21st May, 2014. The Chairman of the Nomination and Remuneration Committee also attended the last Annual General Meeting of the Company.

Name of the Director	Category	Status	No. of Meetings held	No. of Meetings attended
Shri D. C. Anjaria	Independent Non-Executive	Chairman	1	1
Dr. V. M. Agrawal	Independent Non-Executive	Member	1	1
Shri P. M. Mehta	Independent Non-Executive	Member	1	1

Overall attendance : 100%

*Terms of reference :*

Nomination of Directors / Key Managerial Personnel / Senior Management (members of company's core management team excluding Board of Directors, comprising all members of management one level below the executive directors, including the functional heads)

1. To evaluate and recommend the composition of the Board of Directors.
2. To identify persons who are qualified to become Directors, as and when so required, and who may be appointed in senior management in accordance with the criteria laid down by the Committee.
3. To consider and recommend to the Board appointment and removal of directors, other persons in senior management and key managerial personnel (KMP).
4. To determine processes for evaluating the effectiveness of individual directors and the Board as a whole and evaluating the performance of individual directors.
5. To administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS.
6. To formulate the criteria as to qualification, experience, positive attributes and independence of a Director.
7. To review HR Policies and Initiatives.

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

1. To evolve the principles, criteria and basis of Remuneration Policy and recommend to the Board a policy relating to the remuneration for all the Directors, KMP, Senior Management and other employees of the Company and to review the same from time to time.

The Remuneration Policy of Key Managerial Personnel and other employee is as under:

- i) Fixed pay:
  - a) Basic salary
  - b) Allowances
  - c) Perquisites
  - d) Retirement benefits
- ii) Variable pay (applicable to Executive Directors)  
Factors for determining and changing fixed pay:
  - a) Existing compensation
  - b) Educational Qualifications
  - c) Experience
  - d) Salary structure for the position
  - e) Performance
  - f) Compensation ruling in the Market in similar industries for similar positions  
Factors for determining variable pay:
  - a) Company performance
  - b) Individual's performance

2. Non-Executive Directors are entitled to sitting fees for attending the meetings of the Board and certain Committees thereof. The Company also reimburses out of pocket expenses to Directors for attending the meeting

a. *Details of Remuneration / Sitting fees of Directors*

The details of Remunerations / Sitting fees of Executive and Non-Executive Directors for the financial year 2014-15 are as under:

(₹ In Lacs)

Name of the Director	Salary	Commission	Perquisites	Retirement Benefits	Assignment of Key Man Insurance Policy	Sitting Fees	Total
Shri P. M. Sanghvi	108.00	1200.00	0.40	23.76	-	-	1332.16
Shri J. M. Sanghvi	72.00	720.00	1.57	15.84	-	-	809.41
Shri S. M. Sanghvi	60.00	480.00	-	13.20	-	-	553.20
Shri D. C. Anjaria	-	-	-	-	-	2.04	2.04
Dr. V. M. Agrawal	-	-	-	-	-	1.87	1.87
Shri P. M. Mehta	-	-	-	-	-	1.53	1.53
Smt. N. G. Gadhecha*	-	-	-	-	-	0.34	0.34

\* Appointed as an additional Director w.e.f. 06/11/2014.

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

Particulars	Shri P. M. Sanghvi	Shri J. M. Sanghvi	Shri S. M. Sanghvi
Period of Appointment	5 Years	5 Years	5 Years
Date of Appointment	01/11/2013	01/11/2013	01/11/2013
Shareholders' approval in the AGM held on	12/8/2013	12/08/2013	12/8/2013
Notice period for the termination of the Contract	The services of all the three Executive Directors are contractual and for a term of five years. For any termination of Service Contract, the Company or the Executive Director is required to give a notice of three Months or pay three month's salary in lieu thereof to the other party.		

The Non-Executive Directors were paid Sitting Fees of ₹ 17,000/- for each Board Meeting and for also Committee Meetings attended during the year 2014 -15.

*b. Stock Options granted to the Non-Executive Directors*

Name of Director	No. of Options granted	Outstanding as on 01/04/2014	Options exercised during the year	Outstanding as on 31/03/2015 (Face value Rs.2/- per Equity Share)
Shri D. C. Anjaria	25000	NII	NII	NII
Dr. V. M. Agrawal	25000	NII	NII	NII
Shri P. M. Mehta	25000	NII	NII	NII

### 2.3 Stakeholders Relationship Committee

#### *Composition and terms of reference*

The Stakeholder Relationship Committee has been reconstituted and renamed w.e.f 09th June, 2014 in terms of Clause 49 of Listing Agreement and is entrusted with the responsibility of addressing the shareholders / Investors complaints with respect to transfer of shares, non-receipt of Annual Report, non-receipt of dividend etc.

The Stakeholder Relationship Committee was formed to ensure the effective redressal of the complaints of the investors. One meeting of Stakeholder Relationship Committee was held on 29th Jan, 2015. The Committee also recommends steps to be taken for quality services to the investors. The composition of the said Committee & detail of meeting is as under:

Name of the Director	Category	Status	No. of Meetings held	No. of Meetings attended
Shri D. C. Anjaria	Independent Non-Executive	Chairman	1	1
Dr. V. M. Agrawal	Independent Non-Executive	Member	1	1
Shri J. M. Sanghvi	Promoter Executive	Member	1	1

The, Company Secretary, acts as a Secretary of the Committee and has been designated as Compliance Officer of the Company.

#### *Investor Complaints*

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

Sr. No.	Nature of Complaints	Opening Balance as on 01/04/2014	Received during the Year	Redressed / Attended during the year	Pending as on 31/03/2015
1.	Non-receipt of share certificates after transfer, etc.	Nil	Nil	Nil	Nil
2.	Non-receipt of Dividend warrants	Nil	Nil	Nil	Nil
3.	Query regarding Demat Credit	Nil	Nil	Nil	Nil
4.	Non-receipt of duplicate share certificate after issue	Nil	Nil	Nil	Nil
5.	Others : Non-Exchange of New shares	Nil	1	1	Nil
	Total	Nil	1	1	Nil

### 2.4 Corporate Social Responsibility Committee

#### *Composition and terms of reference*

The Board of Directors has constituted Corporate Social Responsibility Committee to review of Corporate Social Responsibility (CSR) initiatives on 9th June, 2014. The committee formulates , reviews and recommends the amount of expenditure to be incurred on CSR activities and regular monitoring of CSR activities to accomplish the objectives of implementation of CSR policy.

### *Meetings and attendance*

The Committee comprises of Shri P. M. Sanghvi (Chairman), Shri J.M.Sanghvi (Member) both being Executive Directors and Shri P. M. Mehta (Member) Independent Director. Two meetings were held during the year on 06th August, 2014 and 06th November, 2014.

## **2.5 Share Transfer Committee**

### *Composition and terms of reference*

The Board of Directors has also constituted Share Transfer Committee to deal with matters relating to transfers / transmissions / transposition / consolidation / split / issue of share certificates in exchange for sub-divided / consolidated / defaced share certificates / issue of duplicate share certificates, etc. The composition of Share Transfer Committee changed as and when required. At present, Shri P. M. Sanghvi, Managing Director, Shri J. M. Sanghvi, Whole-time Director and Dr. V. M. Agrawal, Independent Director are the members of Share Transfer Committee.

At present entire activities related to share transfers, transmission, exchange of shares, etc. are handled by Sharepro Services (India) Pvt. Ltd., Mumbai and Ahmedabad (Branch), a SEBI authorized Registrar, which also provides electronic connectivity with NSDL and CDSL to carry out such assigned work.

### *Meetings and attendance*

During the year under review, Committee meetings were held in terms of Clause 47 of the Listing Agreement and all the members were present in the meetings. The shares were transferred to the Transferees within a period as stipulated in the Listing Agreement with Stock Exchanges.

## **2.6 Committee for Share Allotment under ESOS:**

### *Composition and terms of reference*

The Board of Directors formed the Committee for share allotments under ESOS on 18th May 2009 to consider the applications received from the eligible employees and allotting the shares to them. The composition of the said Committee is as under:

<b>Name of the Director</b>	<b>Category</b>	<b>Status</b>
Shri P. M Sanghvi	Promoter Executive	Chairman
Shri J. M. Sanghvi	Promoter Executive	Member
Shri D. C. Anjaria	Independent Non Executive	Member

### *Meetings and attendance*

During the year, the committee meeting was held on 17th November 2014.

## **3) OTHER MAJOR COMMITTEES OF DIRECTORS**

In addition to the above-referred Committees, the Board has constituted the following Committees of Directors and delegated thereto powers and responsibilities with respect to specific purposes. Time schedule for holding the meetings of such Committees are finalized in consultation with the Committee Members.

### **1. Risk Management Committee**

<b>Terms of reference</b> Framing and supervising risk management policies of the Company & to review and strengthen the risk management of the Company from time to time. The Board of Directors in its meeting held on 10/11/2011 formed the Committee.	<b>Composition</b> 1. Shri D. C. Anjaria (Chairman) Independent Non – Executive	<b>Meetings</b> No Meetings was held during the year under review.
	2. Shri P. M. Sanghvi (Member) Promoter Executive	

## 2. Project Review Committee

Terms of reference To take certain decisions on the spot for the CAPEX Projects.	Composition	Meetings No Meeting was held during the year under review.
	1. Shri P. M. Mehta (Chairman) Independent Non- Executive	
	2. Shri P. M. Sanghvi (Member) Promoter Executive	
	3. Shri J. M. Sanghvi (Member) Promoter Executive	

## 3. Cost Reduction And Performance Improvement Committee

Terms of reference The Board formed a Committee for cost reduction and performance improvement on 28/07/2009.	Composition	Meetings No meeting was held during the year. However, the same is being taken care at functional and Board level.
	1. Shri P. M. Mehta (Chairman) Independent Non-Executive	
	2. Shri P. M. Sanghvi (Member) Promoter Executive	
	3. Shri J. M. Sanghvi (Member) Promoter Executive	

## 4) GENERAL BODY MEETINGS

### A. Annual General Meeting :

The details of date and time of the Annual General Meeting (AGMs) of the Company held during the preceding three years, at The Ahmedabad Textile Mills Association Hall, Ashram Road, Ahmedabad and the Special Resolutions passed there are as under:

AGM Financial Year	Date	Time	Special Resolutions Passed
28TH 2011-12	26.09.2012	10:00 a. m.	NIL
29TH 2012-13	12.08.2013	10.00 a.m.	2
30TH 2013-14	11.09.2014	10.00 a.m.	5*

\* Special resolutions indicated above were passed through Postal Ballot/ E-voting

### B. Postal Ballot

No Special resolution was passed through Postal Ballot during the financial year 2014-15.

## 5) DISCLOSURES

### 5.1 Related party transactions

Full disclosure of related party transactions as per Accounting Standard - 18 issued by the Institute of Chartered Accountants of India are given under Note No. 32 of Notes to Financial Statements.

## 5.2 Accounting Treatment

Financial Statements for the year under review were prepared in accordance with the Accounting Standards and there is no deviation, nor any alternative treatment given.

## 5.3 Risk Management

The Company regularly reviews the risks and takes corrective actions for managing / mitigating the same. The internal control system provides support for risk management of the Company. The Board has approved Corporate Financial Risk Management Policy and the same is being evaluated on quarterly basis.

## 5.4 Strictures / Penalties

There was no instance of Non-compliance of any matter related to the capital markets during the last three years. In other words the Company has complied with all the regulations as per the Listing Agreement with Stock Exchanges and SEBI.

## 5.5 Management

The Management Discussion and Analysis Report forms a part of the Annual Report.

## 5.6 Statutory Registers

All the statutory registers that are required to be maintained, particularly Registers of contracts in which Directors have interests, Registers of Director Shareholding, Register of Investments etc. are maintained and regularly updated.

## 5.7 Whistle Blower Policy

The Company has established a Whistle Blower Policy.

### **Compliance with Non Mandatory requirements**

## 5.8 Shareholders Rights

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

## 5.9 Training of Board Members

There is no formal policy at present for training the Board Members of the Company, as the members on our Board are Professionals/Business Executives/eminant/experienced professional persons. However, for orientation and to get familiar with the Company's business operation and practices, Directors visit all the three divisions from time to time of the Company. Besides, detailed representations are periodically made to the Board Members on the business model of the Company. The Directors endeavour to keep themselves updated with changes in economy and legislation.

## 5.10 Audit qualifications

There are no qualifications in the Auditors Report on the Financial Statements of the Company.

## **6) CERTIFICATION**

The Board has received MD / CFO Certification under Clause V of the Revised Clause 49 of the Listing Agreement and the same was placed before the Board of Directors of the Company.

## 7) MEANS OF COMMUNICATIONS

The quarterly, half-yearly and annual financial results of the company are sent to the stock exchange immediately after these are approved by the Board.

These are widely published in the Economic Times (Gujarati)/ Economic Times (English) etc.

The results are simultaneously posted on the Company's website at [www.ratnamani.com](http://www.ratnamani.com).

### Other communications are as under:

News Releases	Official press releases are sent to stock exchanges as well as displayed on the Company's website.
NSE Electronic Application Processing System (NEAPS)	The listing compliances are also filed electronically on NEAPS.
BSE Corporate Compliance & Listing Centre	The listing compliances are also filed electronically on BSE Corporate Compliance & Listing Centre.
Annual Report	Annual Report is circulated to the members and all others like Auditors, equity analysts, etc.
Management Discussion & Analysis	This forms a part of the Annual Report, which is mailed to the shareholders of the Company.
Investor Services	The Company has designated an exclusive e-mail id viz. <a href="mailto:jigar.shah@ratnamani.com">jigar.shah@ratnamani.com</a> for investor services and grievances.

## 8) GENERAL SHAREHOLDERS INFORMATION

### A. Tentative Financial Calendar for the Financial Year 2015 - 2016

Financial Year : 1st April, 2015 to 31st March, 2016.

#### Financial Results

First Quarter ended on 30th June, 2015 : Second week of August, 2015

Half year ended on 30th September, 2015 : Second week of November, 2015

Third Quarter ended on 31st December, 2015 : Second week of February, 2016

Fourth Quarter ended on 31st March, 2016 : Last week of May, 2016

AGM for the year 2015-16 : August / September, 2016

### B. Listing on Stock Exchanges

The Company's shares are listed and traded on BSE Ltd. as well as National Stock Exchange of India Ltd. The address of the same is as under:

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

### C. Listing Fees to Stock Exchanges

The Company has paid the Listing Fees for the year 2015-2016 to the above Stock Exchanges.

### D. Stock Code / Symbol

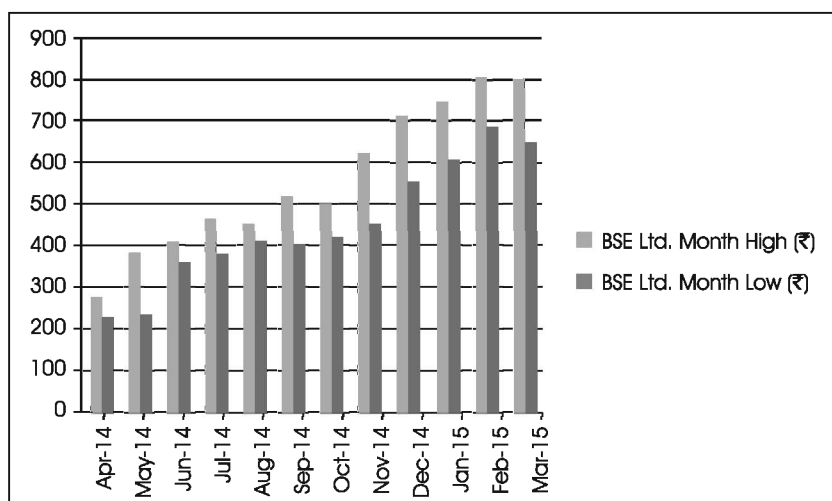
Stock Exchange	Scrip Code
BSE Ltd (BSE)	520111
National Stock Exchange of India Ltd. (NSE)	RATNAMANI
ISIN	INE703B01027



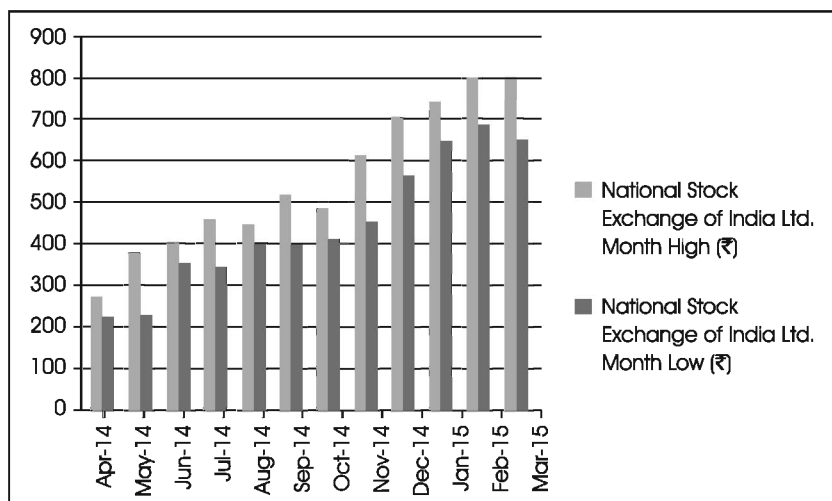
## E. Market Price Data

Month	BSE Ltd.		National Stock Exchange of India Ltd.	
	Month's High (₹)	Month's Low (₹)	Month's High (₹)	Month's Low (₹)
April 2014	272.00	225.00	273.85	227.00
May 2014	381.85	231.05	383.75	229.00
June 2014	407.30	356.85	403.00	355.80
July 2014	462.70	378.30	462.55	348.75
August 2014	448.70	409.00	449.00	400.00
September 2014	520.10	400.00	522.65	402.15
October 2014	496.85	418.00	488.90	415.05
November 2014	620.00	453.00	619.00	457.05
December 2014	709.95	560.00	708.80	570.00
January 2015	745.15	605.00	745.00	654.00
February 2015	806.25	687.05	805.45	688.00
March 2015	804.00	653.00	805.00	655.00

## F. Performance of share price in comparison to BSE Sensex:



## G. Performance of share price in comparison to NSE Nifty:



**H. Registrar & Transfer Agents (RTA)**

Sharepro Services (India) Private Limited, Mumbai.

**I. Share Transfer System**

Due to mandatory provisions of SEBI and upon the instructions of BSE Ltd. and National Stock Exchange of India Ltd., the Company has appointed a common agency as a single point for physical and demat registry work. The Company has appointed M/s. Sharepro Services (India) Pvt. Ltd., as its Registrar and Transfer Agent w.e.f. 26th March 2010. All the shareholders of the Company are therefore requested to correspond directly with them on the matters related to both transfer of shares as well as for demat of the shares of the Company. Their address for correspondence is mentioned in sub point 'Q' given herein after.

In view of the above, the work for transfer of shares in physical form is also being carried out at the above address.

**J. Distribution of Shareholdings as on 31st March 2015**

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 to 2500	8564	96.21	2,203,977	4.72
2501 to 5000	124	1.39	478,304	1.02
5001 to 10000	60	0.67	446,372	0.95
10001 to 15000	15	0.17	184,870	0.40
15001 to 20000	15	0.17	261,375	0.56
20001 to 25000	12	0.14	293,330	0.63
25001 to 50000	21	0.24	817,212	1.75
50001 & Above	90	1.01	42,042,560	89.97
<b>Total</b>	<b>8901</b>	<b>100.00</b>	<b>46,728,000</b>	<b>100.00</b>

**K. Category wise Shareholders as on 31st March 2015**

Category	No. of Shares	% of Shareholding
Indian Promoters and Group	28,021,990	59.97
Mutual Fund	248,753	0.53
Banks, Financial Institutions	3,807	0.01
Corporate Bodies	1,078,118	2.31
FIIS	5,758,866	12.32
NRI	342,426	0.73
Indian Public	11,274,040	24.13
<b>Total</b>	<b>46,728,000</b>	<b>100.00</b>

**L. Dematerialization of Shares and liquidity**

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

The Demat ISIN No. for both NSDL and CDSL for the Company's Equity shares is INE703B01027.

Status of Dematerialization of the Company's Equity shares as on 31st March 2015 is as under:

Particulars	No. of shares as on 31/03/2015	% of Total Capital as on 31/03/2015	No. of Shareholders as on 31/03/2015
a. National Securities Depository Ltd.	42,727,957	91.44	5037
b. Central Depository Services (India) Ltd.	3,111,937	6.66	2160
1. Total Dematerialized shares	45,839,894	98.10	7197
2. Physical	888,106	1.90	8901
<b>Total</b>	<b>46,728,000</b>	<b>100.00</b>	<b>7480</b>

**M. Corporate Benefits to Shareholders:**

**a. Dividend declared for the last seven years**

Financial Year	Dividend Declaration Date	Dividend Per Equity Share (₹)	Dividend Rate (%)	Face Value Per Equity Share (₹)
2013-2014	11/09/2014	4.5	225	2
2012-2013	12/08/2013	4.0	200	2
2011-2012	26/09/2012	3.0	150	2
2010-2011	18/08/2011	2.5	125	2
2009-2010	27/08/2010	2.2	110	2
2008-2009	15/09/2009	1.8	90	2
2007-2008	23/09/2008	7.0	70	10

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

All unclaimed dividend amounts up to financial year 2006 - 2007 have been transferred to Investors Education & Protection Fund and no claim will lie against the Company or the funds in respect of the unclaimed amount so transferred.

**N. ECS / NECS Facilities**

In order to enable usage of electronic payment instruments for distribution of corporate benefits, the shareholders are requested to ensure that their correct bank account particulars are available in the database of depositories and with the Company's Registrar and share transfer Agent in the case the shares are held in physical form.

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

Shareholders holding shares in physical form, who wish to avail NECS facility, may send their Mandate in the prescribed format to our Share Registrar & Transfer Agent, M/s. Sharepro Services (India) Pvt. Ltd.

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

– NIL –

**P. Plant Locations**

SS Division	Survey No. 769, Ahmedabad-Mehsana Highway, Village-Indrad, Nr. Chhatral GIDC, Taluka – Kadi, Dist. Mehsana, Pin code – 382 729, Gujarat
CS Division	Plot No. 3306 to 3309, GIDC Estate, Phase IV, Ahmedabad-Mehsana Highway, P.O. Chhatral, Taluka – Kalol, Dist.: Gandhinagar Pin code-382 729, Gujarat.
Kutch Division (SS Div. & CS Div.)	Survey No. 474, Village: Bhimasar, Tal. Anjar, Dist. Kutch, Gujarat

**Q. Address for Correspondence :**

17, Rajmugat Society, Naranpura Char Rasta, Ankur Road, Naranpura, Ahmedabad - 380013

Shareholder correspondence may be directed to the Company's Registrar and Share Transfer Agent (RTA), whose address is given below:

RTA's REGISTERED OFFICE ADDRESS	RTA's AHMEDABAD BRANCH ADDRESS
Sharepro Services (India) Private Limited <b>Unit : Ratnamani Metals &amp; Tubes Limited</b> 13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri – Kurla Road, Sakinaka, Andheri (E), Mumbai – 400 072 Tel. No. – (022) 6772 0300 / 6772 0400 Fax No. – (022) 28591568 <b>Email: sharepro@shareproservices.com</b>	M/s. Sharepro Services (India) Private Limited <b>Unit : Ratnamani Metals &amp; Tubes Limited</b> Devnandan Mega Mall, Office No. 416-420, 4th Floor, Opp. Sanyas Ashram, Ashram Road Ahmedabad - 380006 Tel. No.- (079) 26582381-82-83-84 Fax No.- (079) 26582385 Contact Person: Mr. Wilson Gohil <b>E-mail: sharepro.ahmedabad@shareproservices.com</b>

**9) CORPORATE ETHICS**

**1. Code of Conduct for Board Members and Senior Management**

The Board has formulated Code of Conduct for all Board members and Senior Management of the Company and the same is posted on the website of the Company. All the Board members and Senior Management personnel have affirmed compliance with the said code of conduct during the year 2014-15.

**Declaration of Compliance with the Code of Conduct / Ethics**

In this connection, a declaration signed by the Compliance Officer in terms of the Listing Agreement addressed to the Board of Directors is given below:

"It is hereby declared that the Company has obtained from all Members of the Board and Senior Management affirmation that they have complied with the Code of Conduct for Directors and Senior Management of the Company for the year 2014-15."

**2. Code of Conduct for prevention of Insider Trading**

The Company has formed Code of Conduct for prevention of Insider Trading as required by SEBI (Prohibition of Insider Trading) Regulations 1992 as amended from time to time. The code ensures prevention of dealing in Company's shares by persons having access to unpublished price sensitive information.

**3. Reconciliation of Share Capital Audit Report**

As stipulated by SEBI, a qualified practicing Company Secretary carries out Secretarial Audit to reconcile total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit is carried

out every quarter and the report thereon is submitted to the listed Stock Exchanges. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

#### **4. Internal Checks**

The Company has both external and internal audit systems in place. The Company has adequate Internal Control Systems to ensure that all assets are safeguarded and transactions are authorised, recorded and reported properly. The Internal Controls are periodically reviewed to enhance efficiency and to ensure statutory compliances. The Internal Audit plan is designed in consultation with the Statutory Auditors and Audit Committee. Regular operational and transactional audits are conducted by professionally qualified and technical persons and the results are used for effective control and improvements. Board and the management periodically review the findings and recommendation of Auditors and take corrective actions wherever necessary.

#### **5. Certification by Practicing Company Secretary**

As required under clause 49 of the Listing Agreement, the Company has obtained a certificate from the practicing Company secretary M/s M. C. Gupta & Co., regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 which is annexed herewith and forms part of the Annual Report.

## **CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

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

We have examined the compliance of the conditions of Corporate Governance by Ratnamani Metals and Tubes Limited ("the Company"), for the year ended on 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

**For M.C.GUPTA & CO.,**  
Company Secretaries

**Mahesh C. Gupta**  
Proprietor

Place : Ahmedabad  
Date : 7th August, 2015

FCS: 2047 (CP: 1028)

# ANNEXURE : D

## REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

CSR Report for the financial year ended March 31, 2015

[Pursuant to Section 135 of the Companies Act, 2013]

1.	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.	<p>The key philosophy of all CSR initiatives of the Company is guided by the Company's philosophy of giving back to the society as a responsible corporate citizen.</p> <p>The CSR Policy may be accessed on the Company's website at the link: <a href="http://www.ratnamani.com/corporate_social_responsibility.html">http://www.ratnamani.com/corporate_social_responsibility.html</a></p> <p>The Company has identified following as focus areas of engagement:</p> <ol style="list-style-type: none"> <li>Education: Access to quality education, training and skill enhancement.</li> <li>Environment: Environmental sustainability, ecological balance, conservation of natural resources.</li> <li>Rural Transformation: Provision of drinking water, sewage facilities, sanitation facilities and roads.</li> <li>Health: Affordable solutions for healthcare through improved access and awareness.</li> <li>The Company would also like to undertake other need-based initiatives in future.</li> </ol> <p>A brief account of the projects and programs that have been supported by the company during 2014-15 is mentioned in Section 5 of this report in the Format given by the Ministry of Corporate Affairs.</p>
2.	The Composition of the CSR Committee	<p>The Company has a Board Committee namely Corporate Social Responsibility (CSR) Committee comprising of following three directors:</p> <ol style="list-style-type: none"> <li>Shri P. M. Sanghvi, CMD</li> <li>Shri Jayanti M. Sanghvi, Whole Time Director</li> <li>Shri P. M. Mehta, Independent Director</li> </ol>
3.	Average net profit of the Company for last three financial years:	₹ 18,109.81 lacs
4.	Prescribed CSR Expenditure (two percent of the amount as in Item 3 above):	₹ 362.20 lacs
5.	Details of CSR spend for the financial year:	
a.	Total amount spent for the financial year: CSR Activities:	₹ 157.46 lacs
b.	Amount unspent, if any Reasons for not spending the amount	<p>₹ 204.74 lacs</p> <ol style="list-style-type: none"> <li>The pace of utilisation of funds earmarked for a Trust has been slow.</li> <li>The process of identifying the most useful and relevant purposes benefiting the most deserving classes of the society had taken a little more time, on which major spending will be happening in the coming financial year</li> </ol>
c.	Manner in which the amount spent during the financial year	Manner in which the amount is spent and details are provided as given below:

Sr. No.	Sector	Project / Activities	Location	Outlay		Cumulative expenditure upto reporting period	Implementing agency
				Budget (₹ in lacs)	Actual (₹ in lacs)		
1.	Education of children in the Rural Area	Shree Mahavir Education Trust for construction of school building	Becharaji	140.00	140.00	-	Shree Mahavir Education Trust
2.	Education of children in the Rural Area	Adoption of Lilapur School	Lilapur	10.00	10.00	-	Yuva unstoppable
3.	Education of children in the Rural Area	Nenanva Govt. School	Nenava	7.46	7.46	-	Different Vendors

## ANNEXURE : E

FORM NO. MGT 9		
EXTRACT OF ANNUAL RETURN		
as on the financial year ended on 31st March 2015		
(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014)		
<b>I</b>	<b>REGISTRATION &amp; OTHER DETAILS:</b>	
i	CIN	L70109GJ1983PLC006460
ii	Registration Date	15/09/1983
iii	Name of the Company	Ratnamani Metals & Tubes Ltd.
iv	Category/Sub-category of the Company	Public Company / Listed by Shares
v	Address of the Registered office & contact details	17, Rajmugat Society, Naranpura Char Rasta, Ankur Road, Naranpura, Ahmedabad 380013. Tel. No. 079- 27415501 Fax No 079-2748099 Email id: jigar.shah@ratnamani.com
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Sharepro Services (India) Private Limited 13 AB, Samhita Warehousing Complex 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri – Kurla Road, Sakinaka, Andheri (E), Mumbai –400 072 Tel. No. – (022) 6772 0300 / 6772 0400 Fax No.– (022) 28591568 Email: sharepro@shareproservices.com

II	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY		
	All the business activities contributing 10% or more of the total turnover of the company shall be stated		
Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacture of tubes, pipes and hollow profiles and of tube or pipe fittings of cast-iron / cast-steel	24311	95%

III	PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES				
Sr. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	RATNAMANI INC	N.A	SUBSIDIARY	100%	2(87)



IV	SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)								
I)	Category-wise Share Holding								
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	2,79,71,990	-	27,971,990	59.92	28,021,990	-	28,021,990	59.97	0.05
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL : (A) (1)</b>	<b>27,971,990</b>	<b>-</b>	<b>27,971,990</b>	<b>59.92</b>	<b>28,021,990</b>	<b>-</b>	<b>28,021,990</b>	<b>59.97</b>	<b>0.05</b>
<b>(2) Foreign</b>									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL : (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>27,971,990</b>	<b>-</b>	<b>27,971,990</b>	<b>59.92</b>	<b>28,021,990</b>	<b>-</b>	<b>28,021,990</b>	<b>59.97</b>	<b>0.05</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	118,923	-	118,923	0.25	248,753	-	248,753	0.53	0.28
b) Banks/FI	330	-	330	0.00	3,807	-	3,807	0.01	0.01
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	6,069,325	-	6,069,325	13.00	5,758,866	-	5,758,866	12.32	-0.68
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL : (B) (1)</b>	<b>6,188,578</b>	<b>-</b>	<b>6,188,578</b>	<b>13.26</b>	<b>6,011,426</b>	<b>-</b>	<b>6,011,426</b>	<b>12.86</b>	<b>-0.39</b>

<b>IV</b>	<b>SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)</b>								
<b>I)</b>	<b>Category-wise Share Holding</b>								
<b>Category of Shareholders</b>	<b>No. of Shares held at the beginning of the year</b>				<b>No. of Shares held at the end of the year</b>				<b>% change during the year</b>
	<b>Demat</b>	<b>Physical</b>	<b>Total</b>	<b>% of Total Shares</b>	<b>Demat</b>	<b>Physical</b>	<b>Total</b>	<b>% of Total Shares</b>	
<b>(2) Non Institutions</b>									
a) Bodies corporates	830,810	19,000	849,810	1.82	1,059,118	19,000	1,078,118	2.31	0.49
i) Indian	-	-	-	-					
ii) Overseas	-	-	-	-	413,620	-	413,620	0.89	0.89
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	2,701,610	716,481	3,418,091	7.32	2,751,201	657,011	3,408,212	7.29	-0.03
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	7,804,540	-	7,804,540	16.72	7,385,995	-	7,385,995	15.81	-0.91
c) Others (specify)	-	-	-	-	-	-	-	-	-
i) Non Resident Repatriates	102,396	215,845	318,241	0.68	92,933	212,095	305,028	0.65	-0.03
ii) Non Resident Non Repatriates	39,127	-	39,127	0.08	37,398	-	37,398	0.08	-
iii) Others	30,608	-	30,608	0.07	6,248	-	6,248	0.01	-0.05
iv) Directors & their relatives & Friends	62,465	-	62,465	0.13	59,965	-	59,965	0.13	-0.01
<b>SUB TOTAL : (B) (2)</b>	<b>11,571,556</b>	<b>951,326</b>	<b>12,522,882</b>	<b>26.83</b>	<b>11,806,478</b>	<b>888,106</b>	<b>12,694,584</b>	<b>27.17</b>	<b>0.34</b>
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	<b>45,732,124</b>	<b>951,326</b>	<b>46,683,450</b>	<b>100.00</b>	<b>45,839,894</b>	<b>888,106</b>	<b>46,728,000</b>	<b>100.00</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>45,732,124</b>	<b>951,326</b>	<b>46,683,450</b>	<b>100.00</b>	<b>45,839,894</b>	<b>888,106</b>	<b>46,728,000</b>	<b>100.00</b>	<b>-</b>

ii) SHARE HOLDING OF PROMOTERS								
Sr. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01-04-2014)			Shareholding at the end of the year (As on 31-03-2015)			
		No of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	% change in share holding during the year
1	JAYANTILAL MISHRIMALJI SANGHVI	1,902,855	4.08	-	1,902,855	4.07	-	-0.01
2	MISHRIMAL NATHMAL SANGHVI	1,693,000	3.63	-	1,759,695	3.77	-	0.14
3	PRAKASHMAL MISHRIMAL SANGHVI	1,399,000	3.00	-	1,399,000	2.99	-	-0.01
4	PRAKASH M SANGHVI	1,283,259	2.75	-	1,548,259	3.31	-	0.56
5	VIMLABEN PAVANKUMAR SANGHAVI	1,222,415	2.62	-	-	-	-	-2.62
6	BABULAL MISHRIMAL SANGHVI	1,109,330	2.38	-	124,330	0.27	-	-2.11
7	NILESH PRAKASH SANGHVI	850,800	1.82	-	819,800	1.75	-	-0.07
8	SHANTILAL MISHRIMAL SANGHVI	805,750	1.73	-	805,750	1.72	-	-0.00
9	VIJAY CHUNILAL SANGHVI	770,000	1.65	-	-	-	-	-1.65
10	SHANTILAL MISHRIMAL SANGHVI	683,245	1.46	-	683,245	1.46	-	-0.00
11	RESHMIDEVI P. SANGHVI	632,665	1.36	-	607,665	1.30	-	-0.05
12	ARUNABEN CHUNILAL SANGHVI	625,205	1.34	-	30,205	0.06	-	-1.27
13	TALSIBEN MISHRIMAL SANGHVI	592,245	1.27	-	-	-	-	-1.27
14	JAYANTILAL MISHRIMAL SANGHVI	585,000	1.25	-	1,685,000	3.61	-	2.35
15	PRAKASHMAL MISHRIMAL SANGHVI	540,000	1.16	-	540,000	1.16	-	-0.00
16	SHANTABEN BABULAL SANGHVI	526,665	1.13	-	528,915	1.13	-	0.00
17	PRASHANT JAYANTILAL SANGHVI	516,910	1.11	-	-	-	-	-1.11
18	RASHMI PRAKASHMAL SANGHVI	507,835	1.09	-	507,835	1.09	-	-0.00
19	BABULAL MISHRIMAL SANGHVI (HUF)	505,495	1.08	-	505,495	1.08	-	-0.00
20	JIGAR PRAKASH SANGHVI	504,415	1.08	-	504,415	1.08	-	-0.00
21	VIJAY CHUNILAL SANGHAVI	492,875	1.06	-	60,810	0.13	-	-0.93
22	SANGHVI SHANTILAL MISHRIMAL (HUF)	462,165	0.99	-	462,165	0.99	-	-0.00
23	PRAKASH MISHRIMAL SANGHVI	450,106	0.96	-	1,882,351	4.03	-	3.06
24	RASHMI PRAKASHMAL SANGHVI	448,250	0.96	-	448,250	0.96	-	-0.00
25	JITENDRA BABULAL SANGHVI	447,160	0.96	-	287,160	0.61	-	-0.34
26	SANGHVI PRAKASHMAL MISHRIMAL (HUF)	422,330	0.90	-	422,330	0.90	-	-0.00
27	JAYANTILAL MISHRIMAL SANGHVI (HUF)	416,835	0.89	-	416,835	0.89	-	-0.00
28	SANGHVI CHUNILAL MISHRIMAL (HUF)	409,000	0.88	-	409,000	0.88	-	-0.00
29	MANOJ PRAKASH SANGHVI	389,165	0.83	-	389,165	0.83	-	-0.00
30	CHANDRA VIJAY SANGHVI	353,125	0.76	-	353,125	0.76	-	-0.00
31	CHUNILAL MISHRIMAL SANGHVI	343,010	0.73	-	1,271,010	2.72	-	1.99
32	SHOBHNADEVI JAYANTILAL SANGHVI	341,665	0.73	-	-	-	-	-0.73
33	VIMLABEN PAVANKUMAR SANGHAVI	330,000	0.71	-	1,402,415	3.00	-	2.29
34	PAVANKUMAR MISHRIMAL SANGHVI	313,600	0.67	100.00	313,600	0.67	-	-0.00
35	MANOJ PRAKASH SANGHVI	305,000	0.65	-	305,000	0.65	-	-0.00
36	SHASHI SHANTILAL SANGHVI	296,000	0.63	-	296,000	0.63	-	-0.00
37	SHASHI SHANTI SANGHVI	292,250	0.63	-	292,250	0.63	-	-0.00
38	RAVI KUMAR P SANGHVI	255,415	0.55	-	255,415	0.55	-	-0.00

ii)	SHARE HOLDING OF PROMOTERS							
Sr. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01-04-2014)			Shareholding at the end of the year (As on 31-03-2015)			
		No of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	% change in share holding during the year
39	SHASHI SHANTILAL SANGHVI	250,000	0.54	-	250,000	0.54	-	-0.00
40	MANOJ PRAKASH SANGHVI	244,330	0.52	-	244,330	0.52	-	-0.00
41	MAHENDRA CHUNILAL SANGHVI	229,080	0.49	-	54,080	0.12	-	-0.37
42	USHA MAHENDRA SANGHVI	226,500	0.49	-	259,830	0.56	-	0.07
43	RAVI SANGHVI	210,000	0.45	-	325,000	0.70	-	0.25
44	JIGAR P SANGHVI	205,000	0.44	-	205,000	0.44	-	-0.00
45	JITENDRA BABULAL SANGHVI	185,000	0.40	-	-	-	-	-0.40
46	YASHKUMAR SHANTILAL SANGHVI	180,000	0.39	-	165,000	0.35	-	-0.03
47	PAVANKUMAR MISHRIMALJI SANGHAVI	150,000	0.32	-	150,000	0.32	-	-0.00
48	PAVAN KUMAR M SANGHVI (HUF)	131,250	0.28	-	131,250	0.28	-	-0.00
49	YASH SHANTI SANGHVI	130,000	0.28	-	130,000	0.28	-	-0.00
50	PRASHANT JAYANTILAL SANGHVI	125,000	0.27	-	776,740	1.66	-	1.39
51	RAVI SANGHVI	115,000	0.25	-	-	-	-	-0.25
52	NILESH PRAKASH SANGHVI	115,000	0.25	-	115,000	0.25	-	-0.00
53	DIMPLE MANOJ SANGHVI	112,500	0.24	-	112,500	0.24	-	-0.00
54	PAVANKUMAR M SANGHAVI	103,165	0.22	-	103,165	0.22	-	-0.00
55	DIMPLE MANOJ SANGHVI	100,000	0.21	-	100,000	0.21	-	-0.00
56	SARIKA PRASHANT SANGHAVI	100,000	0.21	-	175,000	0.37	-	0.16
57	SHANTILAL MISHRIMAL SANGHVI	98,000	0.21	-	98,000	0.21	-	-0.00
58	PAWANKUMAR MISHRIMALJI SANGHVI	86,400	0.19	100.00	86,400	0.18	-	-0.00
59	LATA PRAKASH SANGHVI	85,125	0.18	-	85,125	0.18	-	-0.00
60	PRASHANT J SANGHVI	85,000	0.18	-	-	-	-	-0.18
61	SARIKA PRASHANT SANGHVI	75,000	0.16	-	-	-	-	-0.16
62	SHOBHANADEVJI JAYANTILAL SANGHVI	70,000	0.15	-	426,665	0.91	-	0.76
63	PRAKASHMAL MISHRIMAL SANGHVI (HUF)	50,000	0.11	-	85,000	0.18	-	0.07
64	PINKY JITENDRA SANGHVI	50,000	0.11	-	50,000	0.11	-	-0.00
65	SHEETAL J SANGHVI	49,830	0.11	-	49,830	0.11	-	-0.00
66	PRASHANT JAYANTILAL SANGHVI	49,830	0.11	-	-	-	-	-0.11
67	VIJAY CHUNILAL SANGHVI	47,500	0.10	-	-	-	-	-0.10
68	JIGAR P SANGHVI	46,905	0.10	-	46,905	0.10	-	-0.00
69	MISHRIMAL NATHMALJI SANGHVI (HUF)	41,530	0.09	-	-	-	-	-0.09
70	JAYANTILAL M SANGHVI (HUF)	39,830	0.09	-	39,830	0.09	-	-0.00
71	USHA MAHENDRA SANGHVI	33,330	0.07	-	-	-	-	-0.07
72	SHOBHANADEVJI JAYANTILAL SANGHVI	29,750	0.06	-	29,750	0.06	-	-0.00
73	RISHABH M SANGHVI	25,000	0.05	-	25,000	0.05	-	-0.00
74	VIMLA PAWAN SANGHVI	21,665	0.05	-	21,665	0.05	-	-0.00
75	YASHKUMAR SHANTILAL SANGHVI	17,000	0.04	-	17,000	0.04	-	-0.00
76	JAYANTILAL MISHRIMAL SANGHVI	15,000	0.03	-	185,000	0.40	-	0.36

ii) SHARE HOLDING OF PROMOTERS								
Sr. No.	Shareholders Name	Shareholding at the beginning of the year (As on 01-04-2014)			Shareholding at the end of the year (As on 31-03-2015)			
		No of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	% change in share holding during the year
77	ARUNABEN CHUNILAL SANGHVI	5,000	0.01	-	-	-	-	-0.01
78	PAVANKUMAR MISHRIMAL SANGHVI	5,000	0.01	-	5,000	0.01	-	-0.00
79	JAYANTILAL MISHRIMAL SANGHVI	3,580	0.01	-	3,580	0.01	-	-0.00
80	CHUNILAL MISHRIMAL SANGHVI	3,000	0.01	-	-	-	-	-0.01
81	SHANTABEN BABULAL SANGHVI	2,250	0.00	-	-	-	-	-0.00
82	VIJAY CHUNILAL SANGHVI	435	0.00	-	-	-	-	-0.00
83	MISHRIMAL NATHMALJI SANGHVI	165	0.00	-	-	-	-	-0.00
84	SHANTILAL MISHRIMAL SANGHVI	-	-	-	180,000	0.39	-	0.39
85	MANOJ PRAKASH SANGHVI	-	-	-	31,000	0.07	-	0.07
86	SHEETAL NILESH SANGHVI	-	-	-	25,000	0.05	-	0.05
87	ARUNABEN CHUNILAL SANGHVI	-	-	-	15,000	0.03	-	0.03

iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)								
Sr. No.	Name	Shareholding			Cumulative Shareholding during the year (01/04/2014 to 31/03/2015)			
		No of Shares at the beginning of the year (01/04/2014) / end of the year (31/03/2015)	% of total shares of the Company	Date of opening/closing/ transfer	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the company
1	JAYANTILAL MISHRIMALJI SANGHVI	1,902,855	4.08	01/04/2014				
		<b>1,902,855</b>	<b>4.07</b>	<b>31/03/2015</b>	-	Nil	<b>1,902,855</b>	<b>4.07</b>
2	MISHRIMAL NATHMAL SANGHVI	1,693,000	3.63	01/04/2014				
				27/03/2015	25,000	Transfer	1,718,000	3.68
		<b>1,759,695</b>	<b>3.77</b>	<b>31/03/2015</b>	<b>41,695</b>	<b>Transfer</b>	<b>1,759,695</b>	<b>3.77</b>
3	PRAKASHMAL MISHRIMAL SANGHVI	1,399,000	3.00	01/04/2014				
		<b>1,399,000</b>	<b>2.99</b>	<b>31/03/2015</b>	-	Nil	<b>1,399,000</b>	<b>2.99</b>
4	PRAKASH M SANGHVI	1,283,259	2.75	01/04/2014				
				09/01/2015	75,000	Transfer	1,358,259	2.91
				30/01/2015	50,000	Transfer	1,408,259	3.01
				20/03/2015	115,000	Transfer	1,523,259	3.26
				27/03/2015	25,000	Transfer	1,548,259	3.31
		<b>1,548,259</b>	<b>3.31</b>	<b>31/03/2015</b>	-		<b>1,548,259</b>	<b>3.31</b>
5	VIMLABEN PAVANKUMAR SANGHAVI	1,222,415	2.62	01/04/2014				-
			-	22/08/2014	-70,000	Transfer	1,152,415	2.47
		-	-	<b>31/03/2015</b>	<b>- 1,152,415</b>	<b>Transfer</b>	-	-

iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)								
Sr. No.	Name	Shareholding			Cumulative Shareholding during the year (01/04/2014 to 31/03/2015)			
		No of Shares at the beginning of the year (01/04/2014) / end of the year (31/03/2015)	% of total shares of the Company	Date of opening/closing/ transfer	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the company
6	BABULAL MISHRIMAL SANGHVI	1,109,330	2.38	01/04/2014				-
			-	20/03/2015	-1,000,000	Transfer	109,330	0.23
			-	27/03/2015	15,000	Transfer	124,330	0.27
		<b>124,330</b>	<b>0.27</b>	<b>31/03/2015</b>	<b>124,330</b>		<b>124,330</b>	<b>0.27</b>
7	NILESH PRAKASH SANGHVI	850,800	1.82	01/04/2014				0.00
				20/03/2015	-31,000	Transfer	819,800	1.75
		<b>819,800</b>	<b>1.75</b>	<b>31/03/2015</b>			<b>819,800</b>	<b>1.75</b>
8	SHANTILAL MISHRIMAL SANGHVI	805,750	1.73	01/04/2014				-
		<b>805,750</b>	<b>1.72</b>	<b>31/03/2015</b>	-	NIL	<b>805,750</b>	<b>1.72</b>
9	VIJAY CHUNILAL SANGHVI	770,000	1.65	01/04/2014				-
			-	20/03/2015	-770,000	Transfer	-	-
		-	-	<b>31/03/2015</b>			-	-
10	SHANTILAL MISHRIMAL SANGHVI	683,245	1.46	01/04/2014				-
		<b>683,245</b>	<b>1.46</b>	<b>31/03/2015</b>	-	NIL	<b>683,245</b>	<b>1.46</b>
11	RESHMIDEVI P. SANGHVI	632,665	1.36	01/04/2014				-
			-	19/09/2014	-25,000	Transfer	607,665	1.30
		<b>607,665</b>	<b>1.30</b>	<b>31/03/2015</b>			<b>607,665</b>	<b>1.30</b>
12	ARUNABEN CHUNILAL SANGHVI	625,205	1.34	01/04/2014				-
			-	13/03/2015	-600,000	Transfer	25,205	0.05
			-	31/03/2015	5,000	Transfer	30,205	0.06
		<b>30,205</b>	<b>0.06</b>	<b>31/03/2015</b>			<b>30,205</b>	<b>0.06</b>
13	TALSIBEN MISHRIMAL SANGHVI	592,245	1.27	01/04/2014				-
			-	06/03/2015	-592,245	Transfer	-	-
		-	-	<b>31/03/2015</b>	-		-	-
14	JAYANTILAL MISHRIMAL SANGHVI	585,000	1.25	01/04/2014				-
			-	13/03/2015	600,000	Transfer	1,185,000	2.54
			-	20/03/2015	500,000	Transfer	1,685,000	3.61
		<b>1,685,000</b>	<b>3.61</b>	<b>31/03/2015</b>			<b>1,685,000</b>	<b>3.61</b>
15	PRAKASHMAL MISHRIMAL SANGHVI	540,000	1.16	01/04/2014				-
		<b>540,000</b>	<b>1.16</b>	<b>31/03/2015</b>	-	Nil	<b>540,000</b>	<b>1.16</b>
16	SHANTABEN BABULAL SANGHVI	526,665	1.13	01/04/2014				-
		<b>528,915</b>	<b>1.13</b>	<b>31/03/2015</b>	<b>2,250</b>	Transfer	<b>528,915</b>	<b>1.13</b>
17	PRASHANT JAYANTILAL SANGHVI	516,910	1.11	01/04/2014	516,910			-
		-	-	<b>31/03/2015</b>	<b>-516,910</b>	Transfer	-	-
18	RASHMI PRAKASHMAL SANGHVI	507,835	1.09	01/04/2014				-
		<b>507,835</b>	<b>1.09</b>	<b>31/03/2015</b>	-	Nil	<b>507,835</b>	<b>1.09</b>

iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)								
Sr. No.	Name	Shareholding			Cumulative Shareholding during the year (01/04/2014 to 31/03/2015)			
		No of Shares at the beginning of the year (01/04/2014) / end of the year (31/03/2015)	% of total shares of the Company	Date of opening/closing/ transfer	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the company
19	BABULAL MISHRIMAL SANGHVI (HUF)	505,495	1.08	01/04/2014				-
		<b>505,495</b>	<b>1.08</b>	<b>31/03/2015</b>	-	NII	<b>505,495</b>	<b>1.08</b>
20	JIGAR PRAKASH SANGHVI	504,415	1.08	01/04/2014				-
		<b>504,415</b>	<b>1.08</b>	<b>31/03/2015</b>	-	Nil	<b>504,415</b>	<b>1.08</b>
21	VIJAY CHUNILAL SANGHVI	492,875	1.06	01/04/2014				-
			-	13/03/2015	-480,000	Transfer	12,875	0.03
		<b>60,810</b>	<b>0.13</b>	<b>31/03/2015</b>	<b>47,935</b>	<b>Transfer</b>	<b>60,810</b>	<b>0.13</b>
22	SANGHVI SHANTILAL MISHRIMAL (HUF)	462,165	0.99	01/04/2014				-
		<b>462,165</b>	<b>0.99</b>	<b>31/03/2015</b>	-	NIL	<b>462,165</b>	<b>0.99</b>
23	PRAKASH MISHRIMAL SANGHVI	450,106	0.96	01/04/2014				-
			-	06/03/2015	592,245	Transfer	1,042,351	2.23
			-	13/03/2015	340,000	Transfer	1,382,351	2.96
			-	20/03/2015	500,000	Transfer	1,882,351	4.03
		<b>1,882,351</b>	<b>4.03</b>	<b>31/03/2015</b>			<b>1,882,351</b>	<b>4.03</b>
24	RASHMI PRAKASHMAL SANGHVI	448,250	0.96	01/04/2014				-
		<b>448,250</b>	<b>0.96</b>	<b>31/03/2015</b>	-	NII	<b>448,250</b>	<b>0.96</b>
25	JITENDRA BABULAL SANGHVI	447,160	0.96	01/04/2014				-
				06/02/2015	-20,000	Transfer	427,160	0.91
				13/03/2015	-150,000	Transfer	277,160	0.59
		<b>287,160</b>	<b>0.61</b>	<b>31/03/2015</b>	<b>10,000</b>	<b>Transfer</b>	<b>287,160</b>	<b>0.61</b>
26	SANGHVI PRAKASHMAL MISHRIMAL (HUF)	422,330	0.90	01/04/2014				-
		<b>422,330</b>	<b>0.90</b>	<b>31/03/2015</b>	-	NII	<b>422,330</b>	<b>0.90</b>
27	JAYANTILAL MISHRIMAL SANGHVI (HUF)	416,835	0.89	01/04/2014				-
		<b>416,835</b>	<b>0.89</b>	<b>31/03/2015</b>	-	NII	<b>416,835</b>	<b>0.89</b>
28	SANGHVI CHUNILAL MISHRIMAL (HUF)	409,000	0.88	01/04/2014				-
		<b>409,000</b>	<b>0.88</b>	<b>31/03/2015</b>	-	NII	<b>409,000</b>	<b>0.88</b>
29	MANOJ PRAKASH SANGHVI	389,165	0.83	01/04/2014				-
		<b>389,165</b>	<b>0.83</b>	<b>31/03/2015</b>	-	NII	<b>389,165</b>	<b>0.83</b>
30	CHANDRA VIJAY SANGHVI	353,125	0.76	01/04/2014				-
		<b>353,125</b>	<b>0.76</b>	<b>31/03/2015</b>	-	NII	<b>353,125</b>	<b>0.76</b>
31	CHUNILAL MISHRIMAL SANGHVI	343,010	0.73	01/04/2014				-
			-	13/03/2015	140,000	Transfer	483,010	1.03
			-	20/03/2015	770,000	Transfer	1,253,010	2.68
			-	27/03/2015	15,000	Transfer	1,268,010	2.71
			-	31/03/2015	3,000	Transfer	1,271,010	2.72
		<b>1,271,010</b>	<b>2.72</b>	<b>31/03/2015</b>			<b>1,271,010</b>	<b>2.72</b>

iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)								
Sr. No.	Name	Shareholding			Cumulative Shareholding during the year (01/04/2014 to 31/03/2015)			
		No of Shares at the beginning of the year (01/04/2014) / end of the year (31/03/2015)	% of total shares of the Company	Date of opening/closing/ transfer	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the company
32	SHOBHNADEVI JAYANTILAL SANGHVI	341,665	0.73	01/04/2014				-
			-	27/03/2015	15,000	Transfer	356,665	0.76
		-	-	<b>31/03/2015</b>	<b>-356,665</b>	<b>Transfer</b>	-	-
33	VIMLABEN PAVANKUMAR SANGHAVI	330,000	0.71	01/04/2014				-
			-	15/08/2014	-80,000	Transfer	250,000	0.54
		<b>1,402,415</b>	<b>0.30</b>	<b>31/03/2015</b>	<b>1,152,415</b>	<b>Transfer</b>	<b>1,402,415</b>	<b>3.00</b>
34	PAVANKUMAR MISHRIMAL SANGHVI	313,600	0.67	01/04/2014				-
		<b>313,600</b>	<b>0.67</b>	<b>31/03/2015</b>	-	<b>Nil</b>	<b>313,600</b>	<b>0.67</b>
35	MANOJ PRAKASH SANGHVI	305,000	0.65	01/04/2014				-
		<b>305,000</b>	<b>0.65</b>	<b>31/03/2015</b>	-	<b>Nil</b>	<b>305,000</b>	<b>0.65</b>
36	SHASHI SHANTILAL SANGHVI	296,000	0.63	01/04/2014				-
		<b>296,000</b>	<b>0.63</b>	<b>31/03/2015</b>	-	<b>Nil</b>	<b>296,000</b>	<b>0.63</b>
37	SHASHI SHANTI SANGHVI	292,250	0.63	01/04/2014				-
		<b>292,250</b>	<b>0.63</b>	<b>31/03/2015</b>	-	<b>Nil</b>	<b>292,250</b>	<b>0.63</b>
38	RAVI KUMAR P SANGHVI	255,415	0.55	01/04/2014				-
		<b>255,415</b>	<b>0.55</b>	<b>31/03/2015</b>	-	<b>Nil</b>	<b>255,415</b>	<b>0.55</b>
39	SHASHI SHANTILAL SANGHVI	250,000	0.54	01/04/2014				-
		<b>250,000</b>	<b>0.54</b>	<b>31/03/2015</b>	-	<b>Nil</b>	<b>250,000</b>	<b>0.54</b>
40	MANOJ PRAKASH SANGHVI	244,330	0.52	01/04/2014	-	Nil		-
		<b>244,330</b>	<b>0.52</b>	<b>31/03/2015</b>	-	<b>Nil</b>	<b>244,330</b>	<b>0.52</b>
41	MAHENDRA CHUNILAL SANGHVI	229,080	0.49	01/04/2014				-
			-	12/12/2014	-25,000	Transfer	204,080	0.44
			-	20/03/2015	-65,000	Transfer	139,080	0.30
			-	27/03/2015	-85,000	Transfer	54,080	0.12
		<b>54,080</b>	<b>0.12</b>	<b>31/03/2015</b>			<b>54,080</b>	<b>0.12</b>
42	USHA MAHENDRA SANGHVI	226,500	0.49	01/04/2014				-
		<b>259,830</b>	<b>0.56</b>	<b>31/03/2015</b>	<b>33,330</b>	<b>Transfer</b>	<b>259,830</b>	<b>0.56</b>
43	RAVI SANGHVI	210,000	0.45	01/04/2014				-
		<b>325,000</b>	<b>0.70</b>	<b>31/03/2015</b>	<b>115,000</b>	<b>Transfer</b>	<b>325,000</b>	<b>0.70</b>
44	JIGAR P SANGHVI	205,000	0.44	01/04/2014				-
		<b>205,000</b>	<b>0.44</b>	<b>31/03/2015</b>	-	<b>Nil</b>	<b>205,000</b>	<b>0.44</b>
45	JITENDRA BABULAL SANGHVI	185,000	0.40	01/04/2014	185,000			-
			-	03/10/2014	-40,000	Transfer	145,000	0.31
			-	31/12/2014	-50,000	Transfer	95,000	0.20
			-	27/03/2015	-85,000	Transfer	10,000	0.02
		-	-	<b>31/03/2015</b>	<b>-10,000</b>	<b>Transfer</b>	-	-



iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)								
Sr. No.	Name	Shareholding			Cumulative Shareholding during the year (01/04/2014 to 31/03/2015)			
		No of Shares at the beginning of the year (01/04/2014) / end of the year (31/03/2015)	% of total shares of the Company	Date of opening/closing/ transfer	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the company
46	YASHKUMAR SHANTILAL SANGHVI	180,000	0.39	01/04/2014				-
			-	20/03/2015	-15,000	Transfer	165,000	0.35
		<b>165,000</b>	<b>0.35</b>	<b>31/03/2015</b>			<b>165,000</b>	<b>0.35</b>
47	PAVANKUMAR MISHRIMALJI SANGHAVI	150,000	0.32	01/04/2014				-
		<b>150,000</b>	<b>0.32</b>	<b>31/03/2015</b>	-	Nil	<b>150,000</b>	<b>0.32</b>
48	PAVAN KUMAR M SANGHVI (HUF)	131,250	0.28	01/04/2014				-
		<b>131,250</b>	<b>0.28</b>	<b>31/03/2015</b>	-	Nil	<b>131,250</b>	<b>0.28</b>
49	YASH SHANTI SANGHVI	130,000	0.28	01/04/2014				-
		<b>130,000</b>	<b>0.28</b>	<b>31/03/2015</b>	-	Nil	<b>130,000</b>	<b>0.28</b>
50	PRASHANT JAYANTILAL SANGHVI	125,000	0.27	01/04/2014				-
		<b>776,740</b>	<b>1.66</b>	<b>31/03/2015</b>	<b>651,740</b>	Transfer	<b>776,740</b>	<b>1.66</b>
51	RAVI SANGHVI	115,000	0.25	01/04/2014				-
		-	-	<b>31/03/2015</b>	<b>-115,000</b>	Transfer	-	-
52	NILESH PRAKASH SANGHVI	115,000	0.25	01/04/2014				-
		<b>115,000</b>	<b>0.25</b>	<b>31/03/2015</b>	-	Nil	<b>115,000</b>	<b>0.25</b>
53	DIMPLE MANOJ SANGHVI	112,500	0.24	01/04/2014				-
		<b>112,500</b>	<b>0.24</b>	<b>31/03/2015</b>	-	Nil	<b>112,500</b>	<b>0.24</b>
54	PAVANKUMAR M SANGHAVI	103,165	0.22	01/04/2014				-
		<b>103,165</b>	<b>0.22</b>	<b>31/03/2015</b>	-	Nil	<b>103,165</b>	<b>0.22</b>
55	DIMPLE MANOJ SANGHVI	100,000	0.21	01/04/2014				-
		<b>100,000</b>	<b>0.21</b>	<b>31/03/2015</b>		Nil	<b>100,000</b>	<b>0.21</b>
56	SARIKA PRASHANT SANGHAVI	100,000	0.21	01/04/2014				-
		<b>175,000</b>	<b>0.37</b>	<b>31/03/2015</b>	<b>75,000</b>	Nil	<b>175,000</b>	<b>0.37</b>
57	SHANTILAL MISHRIMAL SANGHVI	98,000	0.21	01/04/2014			98,000	0.21
		<b>98,000</b>	<b>0.21</b>	<b>31/03/2015</b>	-	Nil	<b>98,000</b>	<b>0.21</b>
58	PAVANKUMAR MISHRIMALJI SANGHVI	86,400	0.19	01/04/2014			86,400	0.18
		<b>86,400</b>	<b>0.18</b>	<b>31/03/2015</b>	-	Nil	<b>86,400</b>	<b>0.18</b>
59	LATA PRAKASH SANGHVI	85,125	0.18	01/04/2014				-
		<b>85,125</b>	<b>0.18</b>	<b>31/03/2015</b>	-	Nil	<b>85,125</b>	<b>0.18</b>
60	PRASHANT J SANGHVI	85,000	0.18	01/04/2014			85,000	0.18
		-	-	<b>31/03/2015</b>	<b>-85,000</b>	Transfer	-	-
61	SARIKA PRASHANT SANGHVI	75,000	0.16	01/04/2014				-
		-	-	<b>31/03/2015</b>	<b>-75,000</b>	Transfer	-	-
62	SHOBHANADEVI JAYANTILAL SANGHVI	70,000	0.15	01/04/2014				-
		<b>426,665</b>	<b>0.91</b>	<b>31/03/2015</b>	<b>356,665</b>	Transfer	<b>426,665</b>	<b>0.91</b>

iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)								
Sr. No.	Name	Shareholding			Cumulative Shareholding during the year (01/04/2014 to 31/03/2015)			
		No of Shares at the beginning of the year (01/04/2014) / end of the year (31/03/2015)	% of total shares of the Company	Date of opening/closing/ transfer	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the company
63	PRAKASHMAL MISHRIMAL SANGHVI (HUF)	50,000	0.11	01/04/2014				-
		-	-	20/03/2015	35,000	Transfer	85,000	0.18
		<b>85,000</b>	<b>0.18</b>	<b>31/03/2015</b>			<b>85,000</b>	<b>0.18</b>
64	PINKY JITENDRA SANGHVI	50,000	0.11	01/04/2014				-
		<b>50,000</b>	<b>0.11</b>	<b>31/03/2015</b>	-	Nil	<b>50,000</b>	<b>0.11</b>
65	SHEETAL J SANGHVI	49,830	0.11	01/04/2014				-
		<b>49,830</b>	<b>0.11</b>	<b>31/03/2015</b>	-	Nil	<b>49,830</b>	<b>0.11</b>
66	PRASHANT JAYANTILAL SANGHVI	49,830	0.11	01/04/2014				-
		-	-	<b>31/03/2015</b>	<b>-49,830</b>	Transfer	-	-
67	VIJAY CHUNILAL SANGHVI	47,500	0.10	01/04/2014				-
		-	-	<b>31/03/2015</b>	<b>-47,500</b>	Transfer	-	-
68	JIGAR P SANGHVI	46,905	0.10	01/04/2014				-
		<b>46,905</b>	<b>0.10</b>	<b>31/03/2015</b>	-	Nil	<b>46,905</b>	<b>0.10</b>
69	MISHRIMAL NATHMALJI SANGHVI (HUF)	41,530	0.09	01/04/2014				-
		-	-	<b>18/07/2014</b>	<b>-41,530</b>	Transfer	-	-
70	JAYANTILAL M SANGHVI (HUF)	39,830	0.09	01/04/2014				-
		<b>39,830</b>	<b>0.09</b>	<b>31/03/2015</b>	-	Nil	<b>39,830</b>	<b>0.09</b>
71	USHA MAHENDRA SANGHVI	33,330	0.07	01/04/2014				-
		-	-	<b>31/03/2015</b>	<b>-33,330</b>	Transfer	-	-
72	SHOBHANADEVI JAYANTILAL SANGHVI	29,750	0.06	01/04/2014				-
		<b>29,750</b>	<b>0.06</b>	<b>31/03/2015</b>	-	Nil	<b>29,750</b>	<b>0.06</b>
73	RISHABH M SANGHVI	25,000	0.05	01/04/2014				-
		<b>25,000</b>	<b>0.05</b>	<b>31/03/2015</b>	-	Nil	<b>25,000</b>	<b>0.05</b>
74	VIMLA PAWAN SANGHVI	21,665	0.05	01/04/2014				-
		<b>21,665</b>	<b>0.05</b>	<b>31/03/2015</b>	-	Nil	<b>21,665</b>	<b>0.05</b>
75	YASHKUMAR SHANTILAL SANGHVI	17,000	0.04	01/04/2014				-
		<b>17,000</b>	<b>0.04</b>	<b>31/03/2015</b>	-	Nil	<b>17,000</b>	<b>0.04</b>
76	JAYANTILAL MISHRIMAL SANGHVI	15,000	0.03	01/04/2014				-
			-	17/10/2014	40,000	Transfer	55,000	0.12
			-	13/02/2015	20,000	Transfer	75,000	0.16
			-	20/03/2015	65,000	Transfer	140,000	0.30
			-	27/03/2015	45,000	Transfer	185,000	0.40
		<b>185,000</b>	<b>0.40</b>	<b>31/03/2015</b>			<b>185,000</b>	<b>0.40</b>
77	ARUNABEN CHUNILAL SANGHVI	5,000	0.01	01/04/2014				-
		-	-	<b>31/03/2015</b>	<b>-5,000</b>	Transfer	-	-

iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)								
Sr. No.	Name	Shareholding			Cumulative Shareholding during the year (01/04/2014 to 31/03/2015)			
		No of Shares at the beginning of the year (01/04/2014) / end of the year (31/03/2015)	% of total shares of the Company	Date of opening/closing/ transfer	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the company
78	PAVANKUMAR MISHRIMAL SANGHVI	5,000	0.01	01/04/2014				-
		<b>5,000</b>	<b>0.01</b>	<b>31/03/2015</b>	-	NII	<b>5,000</b>	<b>0.01</b>
79	JAYANTILAL MISHRIMAL SANGHVI	3,580	0.01	01/04/2014				-
		<b>3,580</b>	<b>0.01</b>	<b>31/03/2015</b>	-	NII	<b>3,580</b>	<b>0.01</b>
80	CHUNILAL MISHRIMAL SANGHVI	3,000	0.01	01/04/2014				-
		-	-	<b>31/03/2015</b>	<b>-3,000</b>	Transfer	-	-
81	SHANTABEN BABULAL SANGHVI	2,250	-	01/04/2014				-
		-	-	<b>31/03/2015</b>	<b>-2,250</b>	Transfer	-	-
82	VIJAY CHUNILAL SANGHVI	435	-	01/04/2014				-
		-	-	<b>31/03/2015</b>	<b>-435</b>	Transfer	-	-
83	MISRIMAL NATHMALJI SANGHVI	165	-	01/04/2014				-
			-	18/07/2014	41,530	Transfer	41,695	0.09
		-	-	<b>31/03/2015</b>	<b>-41,695</b>	Transfer	-	-
84	SHANTILAL MISHRIMAL SANGHVI	-	-	01/04/2014	-			-
			-	29/08/2014	150,000	Transfer	150,000	0.32
			-	20/03/2015	15,000	Transfer	165,000	0.35
			-	27/03/2015	15,000	Transfer	180,000	0.39
		<b>180,000</b>	<b>0.39</b>	<b>31/03/2015</b>			<b>180,000</b>	<b>0.39</b>
85	MANOJ PRAKASH SANGHVI	-	-	01/04/2014	-			-
			-	20/03/2015	31,000	Transfer	31,000	0.07
		<b>31,000</b>	<b>0.07</b>	<b>31/03/2015</b>	-	-	<b>31,000</b>	<b>0.07</b>
86	SHEETAL NILESH SANGHVI	-	-	01/04/2014	-			-
			-	30/09/2014	25,000	Transfer	25,000	0.05
		<b>25,000</b>	<b>0.05</b>	<b>31/03/2015</b>	-		<b>25,000</b>	<b>0.05</b>
87	ARUNABEN CHUNILAL SANGHVI	-	-	01/04/2014	-			-
			-	27/03/2015	15,000	Transfer	15,000	0.03
		<b>15,000</b>	<b>0.03</b>	<b>31/03/2015</b>			<b>15,000</b>	<b>0.03</b>

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)								
Sr. No.	For Each of the Top 10 Shareholders	Shareholding					Cumulative Shareholding during the year	
		No of Shares at the beginning of the year (01/04/2014) / end of the year (31/03/2015)	% of total shares of the Company	Date	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the Company
1	NALANDA INDIA FUND LIMITED	3,906,664	8.37	01/04/2014				
		<b>3,906,664</b>	<b>8.36</b>	<b>31/03/2015</b>	-	NIL	<b>3,906,664</b>	<b>8.36</b>
2	CHAMPALAL BACHRAJ BHANSALI	1,500,000	3.21	01/04/2014				-
		<b>1,500,000</b>	<b>3.21</b>	<b>31/03/2015</b>	-	NIL	<b>1,500,000</b>	<b>3.21</b>
3	PUKHRAJ H BHANSALI	1,500,000	3.21	01/04/2014				
		<b>1,500,000</b>	<b>3.21</b>	<b>31/03/2015</b>	-	NIL	<b>1,500,000</b>	<b>3.21</b>
4	NALANDA INDIA EQUITY FUND LIMITED	1,461,644	3.13	01/04/2014				
		<b>1,461,644</b>	<b>3.13</b>	<b>31/03/2015</b>	-	NIL	<b>1,461,644</b>	<b>3.13</b>
5	DARSHANA R SHAH	1,000,000	2.14	01/04/2014				
				11/07/2014	-55	Transfer	999,945	2.14
				18/07/2014	-21,956	Transfer	977,989	2.09
				25/07/2014	-18,456	Transfer	959,533	2.05
				01/08/2014	-478	Transfer	959,055	2.05
				08/08/2014	-18,513	Transfer	940,542	2.01
				15/08/2014	-8,661	Transfer	931,881	1.99
				22/08/2014	-17,540	Transfer	914,341	1.96
				19/09/2014	-27,457	Transfer	886,884	1.90
				30/09/2014	-24,443	Transfer	862,441	1.85
				17/10/2014	-2,131	Transfer	860,310	1.84
				31/10/2014	-9,839	Transfer	850,471	1.82
				07/11/2014	-79,994	Transfer	770,477	1.65
				14/11/2014	-44,000	Transfer	726,477	1.55
				09/01/2015	-16,064	Transfer	710,413	1.52
				16/01/2015	-52,315	Transfer	658,098	1.41
				23/01/2015	-50,000	Transfer	608,098	1.30
				27/03/2015	-7,547	Transfer	600,551	1.29
				31/03/2015	-551	Transfer	600,000	1.28
		<b>600,000</b>	<b>1.28</b>	<b>31/03/2015</b>	-		<b>600,000</b>	<b>1.28</b>
6	CHAMPALAL BACHHRAJ BHANSALI	393,500	0.84	01/04/2014				-
		<b>393,500</b>	<b>0.84</b>	<b>31/03/2015</b>	-	NIL	<b>393,500</b>	<b>0.84</b>
7	PUKHRAJ HANZARIMAL BHANSALI	375,000	0.80	01/04/2014				-
				20/03/2015	-375,000	Transfer	-	-
		-	-	<b>31/03/2015</b>	-	-	-	-

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)								
Sr. No.	For Each of the Top 10 Shareholders	Shareholding					Cumulative Shareholding during the year	
		No of Shares at the beginning of the year (01/04/2014) / end of the year (31/03/2015)	% of total shares of the Company	Date	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the Company
8	ELARA INDIA OPPORTUNITIES FUND LIMITED	331,671	0.71	01/04/2014				-
				02/05/2014	-60,000	Transfer	271,671	0.58
				06/06/2014	-65,000	Transfer	206,671	0.44
				04/07/2014	-30,000	Transfer	176,671	0.38
				11/07/2014	-30,000	Transfer	146,671	0.31
				19/09/2014	-85,000	Transfer	61,671	0.13
				30/09/2014	-61,671	Transfer	-	-
		-	-	31/03/2015			-	-
9	URMILA D SHAH	300,000	0.64	01/04/2014				-
		300,000	0.64	31/03/2015	-	NIL	300,000	0.64
10	SAVITRIDEVI PUKHRAJ BHANSALI	300,000	0.64	01/04/2014				-
				20/03/2015	-300,000	Transfer	-	-
		-	-	31/03/2015			-	-
11	ADINATH LEASING & FINANCE PVT LTD	290,000	0.62	01/04/2014				-
		290,000	0.62	31/03/2015	-	NIL	290,000	0.62
12	SILVER STALLION LIMITED	151,269	0.32	01/04/2014				-
				02/05/2014	60,000	Transfer	211,269	0.45
				06/06/2014	65,000	Transfer	276,269	0.59
				11/07/2014	59,714	Transfer	335,983	0.72
				19/09/2014	35,000	Transfer	370,983	0.79
		370,983	0.79	31/03/2015			370,983	0.79
13	BABULAL M BHANSALI	-		01/04/2014				-
				20/03/2015	675,000	Transfer	675,000	1.44
		675000	1.44	31/03/2015			675000	1.44

v) Shareholding of Directors & KMP								
Sr. No.	Shareholding of Directors & KMP	Shareholding					Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date	Increase / Decrease in share holding	Reason	No of shares	% of total shares of the Company
1	DIVYABHASH CHANDRAKANT ANJARIA	21,665	0.05	01/04/2014				
		<b>21,665</b>	<b>0.05</b>	<b>31/03/2015</b>	-	NIL	<b>21,665</b>	<b>0.05</b>
2	DIVYABHASH CHANDRAKANT ANJARIA	800	0.00	01/04/2014				
		<b>800</b>	<b>0.00</b>	<b>31/03/2015</b>	-	NIL	<b>800</b>	<b>0.00</b>
3	VINODKUMAR MAHAVIRPRASAD AGRAWAL	25,000	0.05	01/04/2014				
		<b>25,000</b>	<b>0.05</b>	<b>31/03/2015</b>	-	NIL	<b>25,000</b>	<b>0.05</b>
4	VINODKUMAR MAHAVIRPRASAD AGRAWAL	2,500	0.01	01/04/2014				
		<b>2,500</b>	<b>0.01</b>	<b>31/03/2015</b>	-	NIL	<b>2,500</b>	<b>0.01</b>
5	PRAVINCHANDRA MAGANLAL MEHTA	12,500	0.03	01/04/2014				
				13/06/2014	-500	Transfer	12,000	0.03
				12/12/2014	-500	Transfer	11,500	0.02
				31/12/2014	-500	Transfer	11,000	0.02
				06/03/2015	-1000	Transfer	10,000	0.02
		<b>10,000</b>	<b>0.02</b>	<b>31/03/2015</b>	-		<b>10,000</b>	<b>0.02</b>
6	Smt. Nidhi G. Gadhecha	NIL						
7	CFO VIMAL KATTA	25,000	0.05	01/04/2014				
		<b>25,000</b>	<b>0.05</b>	<b>31/03/2015</b>	-	NIL	<b>25,000</b>	<b>0.05</b>
8	CS RAJEEV MUNDRA	NIL						

(₹ in Lacs)

<b>V Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>				
<b>Particulars</b>	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
Indebtness at the beginning of the financial year				
i) Principal Amount	3,364.68	4,741.55	-	8,106.23
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	27.97	34.88	-	62.85
Total (i+ii+iii)	3,392.65	4,776.43		8,169.08
Change in Indebtedness during the financial year				
Additions	2,144.04	-	-	2,144.04
Reduction	-1,627.92	-4,776.43	-	-6,404.35
Net Change	516.12	-4,776.43	-	-4,260.31
Indebtedness at the end of the financial year				
i) Principal Amount	3,883.83	-	-	3,883.83
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	24.94	-	-	24.94
Total (i+ii+iii)	3,908.77	-	-	3,908.77

<b>VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>					
<b>A. Remuneration to Managing Director, Wholetime director</b>					
<b>Sr. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of the MD/WTD</b>			<b>TOTAL AMOUNT</b>
		<b>Shri Prakash M. Sanghvi</b>	<b>Shri J. M. Sanghvi</b>	<b>Shri Shanti M. Sanghvi</b>	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	131.76	87.84	73.20	292.80
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.40	1.57	-	1.97
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	1,200.00	720.00	480.00	2,400.00
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit others (specify)	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	1,332.16	809.41	553.20	2,694.77
	Ceiling as per the Act (being 10% of Net Profit calculated under the provision of Section 198 of the Companies Act, 2013)	1,422.30	853.38	568.92	2,844.60

(₹ in Lacs)

<b>B. Remuneration to other directors:</b>						
<b>Sr. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of the Directors</b>				<b>Total Amount</b>
<b>1</b>	<b>Independent Directors</b>	<b>Shri D C Anjaria</b>	<b>Shri P M Mehta</b>	<b>Dr. V M Agrawal</b>	<b>Smt. Nidhi G Gadhecha</b>	
	(a) Fee for attending board committee meetings	2.04	1.53	1.87	0.34	5.78
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (1)	2.04	1.53	1.87	0.34	5.78
<b>2</b>	<b>Other Non Executive Directors</b>	-	-	-	-	-
	(a) Fee for attending board committee meetings	NA	NA	NA	NA	NA
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	2.04	1.53	1.87	0.34	5.78

(₹ in Lacs)

<b>C. Remuneration to Key Managerial Personnel</b>				
<b>Sr. No.</b>	<b>Particulars of Remuneration</b>	<b>Key Managerial Personnel</b>		
<b>1</b>	<b>Gross Salary</b>	<b>CS Shri Rajeev Mundra</b>	<b>CFO Shri Vimal Katta</b>	<b>Total</b>
	(a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961.	5.88	49.37	55.25
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	0.38	0.38
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	<b>5.88</b>	<b>49.75</b>	<b>55.63</b>

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



## ANNEXURE : F

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

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration for financial year 2014-15 (₹ In Lakhs)	% Increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director/KMP to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Sh. Prakash M. Sanghvi, Chairman & Managing Director	1,332.16	18.58	787.89	Profit before Tax increased by 21.71% and Profit After Tax increased by 20.80% in financial year 2014-15
2	Sh. Jayanti M. Sanghvi, Wholetime Director	809.41	18.36	478.71	
3	Sh. Santi M. Sanghvi, Wholetime Director	553.20	18.62	327.18	
4	Sh. D. C. Anjaria, Independent Director	2.04	-	-	
5	Dr. V. M. Agrawal, Independent Director	1.87	-	-	
6	Sh. P. M. Mehta, Independent Director	1.53	-	-	
7	Ms. Nidhi G. Gadhecha, Independent Director	0.34*	-	-	
8	Sh. Vimal Katta, CFO	49.75	-15.03**	29.42	
9	Sh. Rajeev Mundra, Company Secretary	5.88	***	3.48	

\* Smt. Nidhi G. Gadhecha was a Director only for part of the financial year 2014-15 i.e. w.e.f. 06-11-2014.

\*\* Deemed value u/s 17(3) in respect of ESOPs exercised was there in year 2013-14, due to which remuneration got decreases in 2014- 15.

\*\*\* Details not given as Shri Rajeev Mundra was appointed in the financial year 2014-15.

Note : Directors' remuneration details mention in serial no 4 to 7 are only for sitting fees paid towards Board Meetings and Committee Meetings.

ii	Increase in the median remuneration of employees	12.72%
iii	No. of permanent employees on the rolls of Company as on March 31, 2015	1,862
iv	Explanation of Relationship between average increase in remuneration and company performance	The Profit before Tax for the financial year ended March 31, 2015 increased by 21.71% whereas the increase in median remuneration was 12.72%. The average increase in median remuneration was in line with the performance of the Company
v	Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company	The total remuneration of Key Managerial Personnel increased by 17.48% from ₹ 2,341.11 lacs in 2013-14 to ₹ 2,750.40 lacs in 2014-15 whereas the Profit before Tax increased by 21.71% to ₹ 26,072.98 lacs in 2014-15 from ₹ 21,422.19 lacs in 2013-14.
vi	Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year	<p>The market capitalisation as on March 31, 2015 was ₹ 322,890.48 lacs and ₹ 112,507.24 lacs as on March 31, 2014.</p> <p>Price Earnings ratio of the Company was 18.71 as at March 31, 2015 and was 7.84 as at March 31, 2014.</p> <p>As compared to last public offer price of ₹ 75 in 1993 for ₹ 10 per share, the market price was ₹ 691.00 as on March 31, 2015 for ₹ 2 per share.</p>
vii	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 15.45 % whereas the increase in the managerial remuneration for the same financial year was 17.48%.
viii	The key parameters for the variable component of remuneration availed by the directors	Only the executive directors are paid variable remuneration (i.e. commission as % of profit) as approved by the members. This is always linked to the Company's performance in terms of profit.
ix	Ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year	Not Applicable
x	Affirmation that the remuneration is as per the Remuneration Policy of the Company	It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

## ANNEXURE : G

### DISCLOSURES REGARDING STOCK OPTIONS

During the year 2006-07, the Company had introduced Employee Stock Option Scheme (ESOS 2006) for the benefit of employees of the Company. Pursuant to the applicable requirements of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the SEBI Guidelines"), following disclosures are made in connection with Employees Stock Option Scheme (ESOS 2006).

The details of options granted under Employee Stock Option Scheme 2006 are given in the table:

Particulars	ESOS 2006																										
a. Total Options authorized by the Plan	22,50,000																										
b. The Pricing Formula	₹ 59.40/- (plus applicable taxes) which is 75% of the average of daily closing price of equity shares of the Company during 30 days preceding the date of grant of options as quoted on the Stock Exchange, Mumbai																										
c. Options Vested	22,50,000																										
d. Options Exercised	17,28,000																										
e. Total number of shares arising as a result of exercise of Options	17,28,000																										
f. Options lapsed	5,22,000																										
g. Variation of terms of options	NIL																										
h. Money realized by exercise of Options	₹ 34,56,000/- Share capital ₹ 9,91,87,200/- Share premium																										
i. Total No. of Options in force	NIL																										
j. Employee wise details of Options granted to																											
a. Senior Management Personnel:	<table> <tr> <th>Name</th><th>Options granted</th></tr> <tr> <td>Shri D. C. Anjarla</td><td>25000</td></tr> <tr> <td>Dr. V. M. Agrawal</td><td>25000</td></tr> <tr> <td>Shri P. M. Mehta</td><td>25000</td></tr> <tr> <td>Shri A. J. Vora</td><td>25000</td></tr> <tr> <td>Shri D. N. Patel</td><td>25000</td></tr> <tr> <td>Shri R. S. Patel</td><td>25000</td></tr> <tr> <td>Shri P. H. Bhat</td><td>25000</td></tr> <tr> <td>Shri Vimal Katta</td><td>25000</td></tr> <tr> <td>Shri B. Ranganath (Since Retired)</td><td>17500</td></tr> <tr> <td>Shri M. S. Randhawa</td><td>25000</td></tr> <tr> <td>Shri T. Venugopal (Since Retired)</td><td>25000</td></tr> <tr> <td>Shri V. C. Bhagat (Since Retired)</td><td>20000</td></tr> </table>	Name	Options granted	Shri D. C. Anjarla	25000	Dr. V. M. Agrawal	25000	Shri P. M. Mehta	25000	Shri A. J. Vora	25000	Shri D. N. Patel	25000	Shri R. S. Patel	25000	Shri P. H. Bhat	25000	Shri Vimal Katta	25000	Shri B. Ranganath (Since Retired)	17500	Shri M. S. Randhawa	25000	Shri T. Venugopal (Since Retired)	25000	Shri V. C. Bhagat (Since Retired)	20000
Name	Options granted																										
Shri D. C. Anjarla	25000																										
Dr. V. M. Agrawal	25000																										
Shri P. M. Mehta	25000																										
Shri A. J. Vora	25000																										
Shri D. N. Patel	25000																										
Shri R. S. Patel	25000																										
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Shri M. S. Randhawa	25000																										
Shri T. Venugopal (Since Retired)	25000																										
Shri V. C. Bhagat (Since Retired)	20000																										

b. Any other employee who receives a grant in any one year of option amounting to 5% or more of Options granted during that year.	No employee has received grant of options amounting to 5% or more.
c. Identified employees who were granted Options, during one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	There is no employee who has been granted during 1 year equal to or exceeding 1% of the issued capital
k. Diluted Earning Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'	₹ 36.94

Note : The number of options granted and vested, and the price per option are adjusted on account of sub-division of Equity Shares having face value of ₹10/- each into five Equity Shares of face value ₹2/- each.

# ANNEXURE : H

**Form No. MR-3**

## **SECRETARIAL AUDIT REPORT**

### **FOR THE FINANCIAL YEAR ENDED 31st March, 2015**

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

To,

The Members,

**Ratnamani Metals & Tubes Limited,**

17, Rajmugat Society, Naranpura Cross Roads,

Naranpura, Ahmedabad – 380 013

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company having its Registered Office at 17, Rajmugat Society, Naranpura Char Rasta, Ankur Road, Naranpura, Ahmedabad- 380 013 for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 except reporting by certain promoters for their acquisition of shares under internal transfers, pursuant to Regulation 29(2);
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 except reporting by certain promoters for few of their internal transactions;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- (not applicable to the Company during Audit Period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - (not applicable to the Company during Audit Period);
- (vi) The following specifically other applicable laws to the Company:
  - (a) Indian Boilers Act, 1923.
  - (b) Static and Mobile Pressure Vessels Rules, 1999.
  - (c) Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996.
  - (d) Hazardous Wastes (Management and Handling) Rules, 1989.
  - (e) The Water (Prevention and Control of Pollution) Act, 1974
  - (f) The Water (Prevention and Control of Pollution) Cess Act, 1977.
  - (g) Air (Prevention and Control of Pollution) Act, 1981.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the company during Audit Period).
- (ii) Listing Agreement clauses.

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

We further report that

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

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

There were no dissenting views on any matter.

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

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

**For M.C.GUPTA & CO.,**  
Company Secretaries

Place : Ahmedabad  
Date : August 7, 2015

**Mahesh C. Gupta**  
FCS: 2047 (CP: 1028)

The background features a large, light gray circle centered on the page. Within this circle, there are several smaller, concentric circles and segments. Four larger, light gray circular segments are positioned at the top, bottom, left, and right, partially overlapping the central circle. The text "STANDALONE FINANCIAL STATEMENTS" is centered within the central circle.

# **STANDALONE FINANCIAL STATEMENTS**

# INDEPENDENT AUDITORS' REPORT

## To the Members of Ratnamani Metals and Tubes Limited

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of Ratnamani Metals & Tubes Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, its profit, and its cash flows for the year ended on that date.



**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the Impact of pending litigations on its financial position in its financial statements – Refer Note 11 and 26 to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

---

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. : 324982E

**per Arpit K. Patel**

Partner

Membership No. 34032

Place: Ahmedabad

Date: May 7, 2015

**For Mehta Lodha & Co.**

Chartered Accountants

ICAI Firm Registration No. : 106250W

**per Prakash D. Shah**

Partner

Membership No. 34363

Place: Ahmedabad

Date: May 7, 2015

## **Annexure referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.  
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture of steel tubes and pipes, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.  
(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of statute	Nature of dues	₹ (in Lacs)	Period to which the amount relates	Forum Where dispute is pending
Central Excise Act, 1944	Excise duty	41.74	July 2006 to May 2007	Assistant Commissioner
		8.76	March 2010 to April 2010	Central Excise and Service tax Appellate Tribunal
		3,244.04	March 2005 to November 2007	Central Excise and Service tax Appellate Tribunal
The Finance Act (Service Tax), 1994	Service Tax	5.07	October 2008 to September 2010	Assistant Commissioner
		4.26	December 2006 to December 2008	Central Excise and Service tax Appellate Tribunal
		11.26	April 2006 to March 2007	Central Excise and Service tax Appellate Tribunal
Employees State Insurance Scheme	Tax	270.00	November 1991 to March 2015	Hon'ble High Court of Gujarat
Consolidated Notified Area Tax-GIDC	Tax	8.55	April 2005 to October 2013	Hon'ble High Court of Gujarat
Income Tax Act, 1961	Income tax	288.76	AY 2012-13	Deputy Commissioner (Appeals)
Central Sales Tax Act, 1956	Tax	74.30	April 2006 to March 2009	Joint Commissioner (Appeals)
		38.08	April 2009 to March 2011	Dy. Commissioner (Appeals)
Gujarat Value Added Tax, 2003	Tax and Interest	239.58	April 2010 to March 2011	Dy. Commissioner (Appeals)

- (d) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. : 324982E

**per Arpit K. Patel**

Partner

Membership No. 34032

Place: Ahmedabad

Date: May 7, 2015

**For Mehta Lodha & Co.**

Chartered Accountants

ICAI Firm Registration No. : 106250W

**per Prakash D. Shah**

Partner

Membership No. 34363

Place: Ahmedabad

Date: May 7, 2015

# Balance Sheet as at 31st March, 2015

(₹ in Lacs)

Particulars	Note	As at 31-03-2015	As at 31-03-2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	934.56	933.67
Reserves and Surplus	4	89,903.00	75,719.86
		90,837.56	76,653.53
<b>Non-current Liabilities</b>			
Long-term Borrowings	5	840.80	1,613.07
Deferred Tax Liabilities (net)	6	4,776.50	4,668.06
		5,617.30	6,281.13
<b>Current Liabilities</b>			
Short-term Borrowings	7	2,202.23	5,686.63
Trade Payables	8	12,755.55	15,204.46
Other Current Liabilities	9	6,948.99	7,475.82
Short-term Provisions	10	4,197.91	3,459.24
		26,104.68	31,826.15
<b>Total</b>		1,22,559.54	1,14,760.81
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Fixed Assets			
Tangible Assets	11	42,308.74	43,942.58
Intangible Assets	11	166.50	239.82
Capital Work-in-Progress		4,179.80	1,298.74
		46,655.04	45,481.14
Non-current Investments	12	7.03	0.95
Loans and Advances	17	2,494.28	798.53
		49,156.35	46,280.62
<b>Current Assets</b>			
Current Investments	13	2,000.00	5,405.28
Inventories	14	34,308.87	25,171.54
Trade Receivables	15	22,337.42	27,811.20
Cash and Bank Balances	16	7,568.93	4,341.19
Short-term Loans and Advances	17	6,807.74	5,569.18
Other Current Assets	18	380.23	181.80
		73,403.19	68,480.19
<b>Total</b>		1,22,559.54	1,14,760.81

Summary of Significant Accounting Policies 2.1

The accompanying notes are integral part of the Financial Statements.

As per our report of even date

**For Mehta Lodha & Co.**  
Chartered Accountants  
Firm Registration No: 106250W

**per PRAKASH D. SHAH**  
Partner  
Membership No. 34363

**For S R B C & Co. LLP**  
Chartered Accountants  
Firm Registration No: 324982E

**per ARPIT K. PATEL**  
Partner  
Membership No. 34032

**For Ratnamani Metals & Tubes Limited**

**P. M. SANGHVI**  
Chairman and  
Managing Director

**S. M. SANGHVI**  
Whole Time Director

**DR. V. M. AGRAWAL**  
Director

**NIDHI GADHECHA**  
Director

**VIMAL KATTA**  
Vice President (Finance)

**J. M. SANGHVI**  
Whole Time Director

**D. C. ANJARIA**  
Director

**P. M. MEHTA**  
Director

**RAJEEV MUNDRA**  
Company Secretary

Place : Ahmedabad  
Date : May 7, 2015

# Statement of Profit & Loss for the Year Ended on 31st March 2015

(₹ in Lacs)

Particulars	Note	Year ended 31-03-2015	Year ended 31-03-2014
<b>INCOME</b>			
Revenue from Operations (Gross)	19	1,76,723.85	1,43,587.87
Less:- Excise Duty		9,168.53	8,291.87
Revenue from Operations (Net)		1,67,555.32	1,35,296.00
Other Income	20	2,511.10	1,394.21
<b>Total Revenue</b>		<b>1,70,066.42</b>	<b>1,36,690.21</b>
<b>EXPENSES</b>			
Cost of Raw Materials Consumed	21	1,14,882.17	80,979.62
Purchase of Traded Goods	22.1	107.19	2,289.17
Changes in Inventories of Finished Goods & Work-in-Process	22	(5,538.16)	790.87
Employee Benefits Expense	23	9,154.71	7,892.99
Finance Costs	24	936.80	1,033.95
Depreciation and Amortisation Expense	11	5,435.72	4,586.48
Other Expenses	25	19,015.01	17,694.94
<b>Total Expenses</b>		<b>1,43,993.44</b>	<b>1,15,268.02</b>
Profit Before Tax		26,072.98	21,422.19
Tax Expense			
Current Tax		8,745.51	6,476.04
Excess Provision for Current Tax of earlier years		(31.77)	(6.86)
Deferred Tax		108.44	672.19
<b>Net Profit After tax</b>		<b>17,250.80</b>	<b>14,280.82</b>
Earning Per Equity Share (₹) of face value of ₹ 2/- each:	37		
Basic		36.94	30.74
Diluted		36.94	30.49

Summary of Significant Accounting Policies 2.1

The accompanying notes are integral part of the Financial Statements.

As per our report of even date

**For Mehta Lodha & Co.**  
 Chartered Accountants  
 Firm Registration No: 106250W

**per PRAKASH D. SHAH**  
 Partner  
 Membership No. 34363

**For S R B C & Co. LLP**  
 Chartered Accountants  
 Firm Registration No: 324982E

**per ARPIT K. PATEL**  
 Partner  
 Membership No. 34032

**For Ratnamani Metals & Tubes Limited**
**P. M. SANGHVI**  
 Chairman and  
 Managing Director

**S. M. SANGHVI**  
 Whole Time Director

**DR. V. M. AGRAWAL**  
 Director

**NIDHI GADHECHA**  
 Director

**VIMAL KATTA**  
 Vice President (Finance)

**J. M. SANGHVI**  
 Whole Time Director

**D. C. ANJARIA**  
 Director

**P. M. MEHTA**  
 Director

**RAJEEV MUNDRA**  
 Company Secretary

 Place : Ahmedabad  
 Date : May 7, 2015

## Cash Flow Statement for the year 2014-15

(₹ in Lacs)

Particulars	2014-15	2013-14
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per Statement of Profit and Loss	26,072.98	21,422.19
Adjusted For:		
Loss on Sale / Discard of Assets &		
Capital Work-in-Progress (net)	(5.47)	237.72
Depreciation / Amortisation	5,435.72	4,586.48
Dividend Income	(113.37)	(365.76)
Interest Income	(1,032.31)	(977.02)
Unrealised Foreign Exchange Loss	125.56	(63.28)
Excess Provision written back	(101.96)	-
Bad debts / sundry balances written off	-	91.91
Provision for doubtful debts	-	243.21
Interest Expenses	598.02	580.56
Operating Profit before working capital changes	30,979.17	25,756.01
Adjusted For:		
Decrease / (Increase) in trade receivables	5,575.74	(3,027.45)
Decrease / (Increase) in inventories	(9,137.33)	(1,898.11)
Decrease / (Increase) in short term loans and advances	(1,238.56)	(2,412.54)
Decrease / (Increase) in long term loans and advances	85.46	(294.53)
Decrease / (Increase) in other current assets	(146.15)	(62.15)
Increase / (Decrease) in trade payables	(2,448.91)	5,250.21
Increase / (Decrease) in other current liabilities	(440.86)	(918.69)
Increase / (Decrease) in short term provisions	53.76	37.19
<b>Cash Generated from Operations</b>	23,282.32	22,429.94
Direct Taxes Paid	(8,664.29)	(6,475.71)
<b>Net Cash Generated from Operating Activities</b>	14,618.03	15,954.23
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment towards Investment in Subsidiary Entity	(6.08)	-
Purchase of Fixed Assets, including		
CWIP and capital advances	(8,492.99)	(7,961.82)
Proceeds from Sale of Fixed Assets	105.30	44.30
Sales / (Purchase) of Investments (net)	3,405.28	(2,494.81)
Investments in Bank Deposits	(3,053.00)	(1,847.47)
(having original maturity of more than three months)		
Redemption / maturity of Bank Deposits	1,847.47	6.89
(having original maturity of more than three months)		
Dividend Income	113.37	365.76
Interest Income	980.03	1,033.31
<b>Net Cash (used in) / generated from Investing Activities</b>	(5,100.62)	(10,853.84)
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Shares	26.47	159.09
Repayment of Long Term Borrowings	(818.00)	(4,016.23)
Short Term Borrowings (net)	(3,491.88)	(1,892.60)
Dividend paid (including Dividend Distribution Tax)	(2,457.78)	(2,172.15)
Interest Paid	(635.93)	(598.29)
<b>Net Cash (used in) Financing Activities</b>	(7,377.12)	(8,520.18)

## Cash Flow Statement for the year 2014-15

(₹ in Lacs)

Particulars	2014-15	2013-14
Net (Decrease) / Increase in Cash and Cash Equivalents	2,140.29	(3,419.80)
Effect of Exchange difference on Cash and Cash Equivalents held in foreign currency	(118.08)	(83.18)
Opening Balance of Cash and Cash Equivalents	2,493.72	5,996.70
Closing Balance of Cash and Cash Equivalents	4,515.93	2,493.72
(Refer note no. 16)		
<b>Components of Cash and Cash Equivalents</b>		
Balances with Banks in Current Accounts	1,029.12	527.09
Deposits with original maturity of less than three months	3,400.00	1,900.00
Balances with Banks earmarked for Unpaid Dividend	69.19	57.60
Cash in Hand	17.62	9.03
<b>Total Cash and Cash Equivalents (note 16)</b>	<b>4,515.93</b>	<b>2,493.72</b>

As per our report of even date

**For Mehta Lodha & Co.**  
 Chartered Accountants  
 Firm Registration No: 106250W

**per PRAKASH D. SHAH**  
 Partner  
 Membership No. 34363

**For S R B C & Co. LLP**  
 Chartered Accountants  
 Firm Registration No: 324982E

**per ARPIT K. PATEL**  
 Partner  
 Membership No. 34032

**For Ratnamani Metals & Tubes Limited**

**P. M. SANGHVI**  
 Chairman and  
 Managing Director

**J. M. SANGHVI**  
 Whole Time Director

**S. M. SANGHVI**  
 Whole Time Director

**D. C. ANJARIA**  
 Director

**DR. V. M. AGRAWAL**  
 Director

**P. M. MEHTA**  
 Director

**NIDHI GADHECHA**  
 Director

**VIMAL KATTA**  
 Vice President (Finance)

**RAJEEV MUNDRA**  
 Company Secretary

Place : Ahmedabad  
 Date : May 7, 2015

## Notes to Financial Statements for the Year ended 31st March, 2015

### 1. CORPORATE INFORMATION

Ratnamani Metals & Tubes Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The Company is engaged in the manufacturing of stainless steel pipes and tubes and carbon steel pipes at Kutch, Indrad and Chhatral in the state of Gujarat. The Company caters to both domestic and international markets.

### 2. BASIS OF ACCOUNTING

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Account) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

#### 2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES :

##### a. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and / or liabilities in future periods.

##### b. TANGIBLE FIXED ASSETS :

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and borrowing costs if capitalization criteria are met, the cost of replacing part of the fixed assets and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhauling is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of parts replaced are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated 09 August 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset for the period. In other words, the Company does not



## Notes to Financial Statements for the Year ended 31st March, 2015

differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the Statement of Profit and Loss as and when the assets is derecognized.

### c. INTANGIBLE FIXED ASSETS

Intangible Assets are carried at cost less accumulated amortisation and accumulated impairment, If any. Intangible assets are amortised on a straight-line basis over six years.

### d. DEPRECIATION AND AMORTISATION

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives defined under Schedule II except in respect of following fixed assets:

- (i) The amount of Long Term Lease hold land: It is amortised in equal instalments during the last fifteen years of the residual lease period.
- (ii) Furnace and X-ray machines are depreciated at an annual rate of 20% to bring the depreciation rates in line with the useful life of assets as estimated by the Technical Team of the Company.
- (iii) The useful life of Wind Mills is estimated as 20 years based on sublease period of the land and the PPA / Wheeling Agreements entered into with the local authorities.

### e. INVESTMENTS

Investments that are readily realisable and intended to be held for not more than a year from the date on which investments are made are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost.

However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

### f. INVENTORIES

Raw materials, work-in-process, finished goods, traded goods and stores and spares are valued at lower of cost and net realizable value after providing for obsolescence and other losses, wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Scrap is valued at net realisable value. Cost is determined on a Weighted Average method.

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, incurred in bringing them in their respective present location and condition. Cost of finished goods includes excise duty.

Net realizable value is the estimated selling price in the ordinary course of business.

### g. REVENUE

- i) Revenue from operations is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations (gross) & Income from operations (gross) represents the amounts receivable for goods and services sold including excise duty thereon, Export incentives and VAT / CST incentives in respect of Kutch

## Notes to Financial Statements for the Year ended 31st March, 2015

Unit but excludes VAT / CST, trade discounts & other taxes, adjustments for late delivery charges and material returned / rejected.

Interest income is recognized on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss.

- ii) The Company accounts for pro forma credits, refunds of duty of customs or excise, or refunds of sales tax in the year of admission of such claims by the concerned authorities. Benefits in respect of Export Licenses are recognised on application. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same.
- iii) Dividend is recognized when the Company's right to receive dividend is established by the Balance Sheet date.
- iv) Revenue from windmills is recognised on unit generation basis.

### h. **EXCISE DUTY**

Excise duty is accounted on the basis of both, payment made in respect of goods cleared / Services provided, and provided on manufactured goods remaining in the inventory which is included as a part of valuation of finished goods and scrap.

### i. **EMPLOYEE BENEFITS**

Retirement benefits in the form of provident fund and superannuation fund are defined contribution plans. The Company has no obligation, other than the contributions payable to provident fund and super-annuation fund. The Company recognises contribution payable to these funds as an expenditure, when an employee renders the related service.

In respect of gratuity liability, the Company operates defined benefit plan. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method. Based on the determined valuation, the Company recognizes the amount in full to the Statement of Profit and Loss account. Actuarial gain and loss is recognised in full in the period in which they occur in the Statement of Profit and Loss.

The liability in respect of unused leave entitlement of the employees as at the reporting date is determined on the basis of an independent actuarial valuation carried out and the liability is recognized in the Statement of Profit and Loss. The Company presents the entire leave as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Actuarial gain and loss is recognised in full in the period in which they occur in the Statement of Profit and Loss.

### **ESOS :**

In respect of Employees Stock Options, the excess of fair price on the date of grant over the exercise price is recognised as deferred compensation cost amortised over the vesting period.

### j. **INCOME TAXES**

Tax expenses comprise current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

## Notes to Financial Statements for the Year ended 31st March, 2015

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

### **k. FOREIGN CURRENCY TRANSACTIONS**

- i) Foreign currency transactions are accounted at exchange rates prevailing on the date the transactions take place or that approximates the actual rate on the date of the transaction. All exchange differences arising in respect of foreign currency transactions are dealt with in statement of profit & loss except in respect of long term liabilities incurred for acquiring fixed assets, in which case such differences are adjusted in the carrying amount of the respective fixed assets and depreciated over the remaining useful life of the assets.
- ii) All monetary foreign currency assets and liabilities, if any, as at the Balance Sheet date are restated at the applicable exchange rates prevailing on the reporting date of financial statements.

### **l. FOREIGN EXCHANGE CONTRACTS ENTERED INTO TO HEDGE FOREIGN CURRENCY RISK OF AN EXISTING ASSETS / LIABILITIES**

In respect of forward contracts, the premium or discount is amortised over the period of forward contract and the proportionate premium/discount for the period up to the reporting date of Balance Sheet is recognized in the Statement of Profit and Loss. The exchange difference measured by the exchange rate between the inception of the forward contract and reporting date of Balance Sheet is applied on foreign currency amount of the forward contract and exchange difference on such contracts, are recognized in the Statement of Profit and Loss in the period in which the exchange rates changes. Any profit or loss arising on cancellation or renewal of such forward exchange contracts is also recognized as income or expense for the period.

### **m. FINANCE COSTS**

Finance costs include interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowing. Finance costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing cost are charged to Statement of Profit and Loss.

## Notes to Financial Statements for the Year ended 31st March, 2015

### **n. IMPAIRMENT OF ASSETS**

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

### **o. PROVISIONS**

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

### **p. CONTINGENT LIABILITY**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A contingent asset is neither recognized not disclosed.

### **q. SEGMENT REPORTING**

The Company's operating businesses are organised and managed separately according to the nature of products provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segment is based on the geographical location of the customers.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

### **r. EARNING PER SHARE**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for issue of shares under Employee Stock Option Scheme-2006 that have changed the number of equity shares outstanding. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **s. CASH AND CASH EQUIVALENT**

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

### **t. OPERATING LEASE**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

## Notes to Financial Statements for the Year ended 31st March, 2015

Note Particulars No	( ₹ in Lacs)	
	As at 31-03-2015	As at 31-03-2014
<b>3. SHARE CAPITAL</b>		
<b>Authorised</b>		
7,50,00,000 (7,50,00,000) Equity Shares of ₹ 2/- each (P.Y. ₹ 2/- each)	1,500.00	1,500.00
<b>Issued, Subscribed and Paid-up</b>		
4,67,28,000 (4,66,83,450) Equity Shares of ₹ 2/- each (P.Y. ₹ 2/- each)	934.56	933.67
	934.56	933.67
<b>3.1 Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period</b>		
(Figures are ₹ in Lacs)		
At the beginning of the year	933.67	928.31
Add:- Issued during the year under Employee Stock Option Scheme	0.89	5.36
Outstanding at the end of the year	934.56	933.67
(Figures of shares are in numbers)		
At the beginning of the year	46,683,450	46,415,609
Add:- Shares issued on exercise of Employee Stock Options Scheme	44,550	267,841
Equity Shares at the end of the year	46,728,000	46,683,450

### 3.2 Terms / Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 2/- per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the Shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by Share holders.

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

Name of the Shareholder	No. of Shares	% held	No. of Shares	% held
Prakash M Sanghvi	5,369,610	11.49%	3,672,365	7.87%
Nalanda India Fund Limited	3,906,664	8.36%	3,906,664	8.37%
Jayanti M Sanghvi	3,776,435	8.08%	2,506,435	5.37%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares.

### 3.4 Shares Reserved for issue under option

The Company reserved issuance of Nil (Previous Year 22,50,000) Equity Shares of ₹ 2/- each for offering to eligible employees of the Company under Employees Stock Option Scheme 2006 at a price of ₹ 59.40 per option plus all applicable taxes, as may be levied in this regard on the Company. The options were granted on 31st October, 2006 and have vested completely. Out of the reserved Equity Shares, 17,28,000 Equity Shares (previous year 16,83,450) have been issued till date. The maximum exercise period was 8 years from the date of grant of options. The balance options have expired during the year. (Also refer note no. 30)

## Notes to Financial Statements for the Year ended 31st March, 2015

(₹ in Lacs)

Note No	Particulars	As at 31-03-2015	As at 31-03-2014
<b>4.</b>	<b>RESERVES AND SURPLUS</b>		
	Capital Reserve as per last year	490.04	490.04
	Securities Premium		
	Balance as per last year	2,243.06	2,026.65
	Add:- On issue of Shares	36.00	216.41
		2,279.06	2,243.06
	General Reserve		
	Balance as per last year	52,503.01	43,503.01
	Add:- Transferred from Employee Stock Option (Refer note 4.1)	122.15	
	Add:- Transferred from Statement of Profit and Loss	10,000.00	9,000.00
		62,625.16	52,503.01
	Amalgamation reserve on amalgamation during 1997-98 of:		
	- Ratnamani Engineering Ltd.	386.67	386.67
	- Ratnamani Fine Tubes Pvt Ltd.	5.44	5.44
		392.11	392.11
	Employee Stock Options (Refer note no.30)		
	Balance as per last year	132.57	195.25
	Less:- Transferred to Securities Premium on exercise of options	10.42	62.68
	Less:- Transferred to General Reserve (Refer note 4.1)	122.15	-
		-	132.57
	Surplus in the Statement of Profit and Loss		
	Balance as per last year	19,959.07	17,136.03
	Profit for the year	17,250.80	14,280.82
	Less:- Appropriations		
	Proposed Dividend (Amount per Share ₹ 5.50 (P.Y. ₹ 4.50))	2,570.04	2,100.76
	Tax on Proposed Dividend	523.20	357.02
	Transferred to General Reserve	10,000.00	9,000.00
	Total Appropriations	13,093.24	11,457.78
	Net Surplus in the Statement of Profit and Loss	24,116.63	19,959.07
		89,903.00	75,719.86

**4.1** As required by Guidance Note on Accounting for Employee Share-based Payments with regard to accounting for employee share-based payments issued by ICAI, on lapse of Equity Stock Options (ESOPs) in respect of 5,22,000 equity shares after 28 October 2014, the Company has transferred ₹ 122.15 Lacs from "Employee Stock Options Account" representing the difference between the market price of the share on the date of grant of option and the exercise price of the lapsed options to "General Reserve Account".

	Non-Current	Current	Non-Current	Current
<b>5 LONG TERM BORROWINGS (SECURED)</b>				
External (Foreign) Commercial Borrowings from Banks	840.80	840.80	1,613.07	806.53
Less:- Amount disclosed under the head				
Current Liabilities (Refer note No. 9)	-	840.80	-	806.53
	840.80	-	1,613.07	-

External (Foreign) Commercial Borrowing of ₹ 1,681.60 Lacs (P.Y. ₹ 2,419.60 Lacs) from ICICI Bank Ltd. Hong Kong branch is carrying interest @ 6M Libor+4.52% P.A. The loan is repayable in 12 half yearly installments of USD 6,66,666.67 each from 22.07.2011. The loan is secured by an exclusive charge over movable assets in respect of 3Layer PE Coating Line and Offline Welding & Finishing Lines for HSAW plant situated at Survey No. 474, Village Bhilmasar, Tal. Anjar, Dist. Kutch.

## Notes to Financial Statements for the Year ended 31st March, 2015

(₹ in Lacs)

Note No	Particulars	As at 31-03-2015	As at 31-03-2014
<b>6.</b>	<b>DEFERRED TAX LIABILITY</b>		
	Fixed Assets: Impact of difference between tax depreciation and book depreciation	4,876.17	4,750.73
	<b>DEFERRED TAX ASSETS</b>		
	Impact of expenditure charged to the Statement of Profit and Loss but allowed for tax purpose on payment basis	(99.67)	(82.67)
		<u>4,776.50</u>	<u>4,668.06</u>
<b>7</b>	<b>SHORT TERM BORROWINGS</b>		
	FROM BANKS - SECURED :		
	Working Capital Loans (Refer note 7.1)		
	Cash Credit / Export Packing Credit facilities	58.19	945.08
	Buyer's Credits in Foreign Currencies	<u>2,144.04</u>	<u>-</u>
		2,202.23	945.08
	FROM BANKS - UNSECURED :		
	Other Loans and Advances (Refer note 7.2)		
	Buyer's Credits in Foreign Currencies	-	4,741.55
		<u>2,202.23</u>	<u>5,686.63</u>
<b>7.1</b>	Working Capital Loans are secured by - i) Hypothecation of Inventories, Books Debts, all other movables; ii) Second charge on Fixed Assets of the Company except, a) 8 wind mills along with related equipments / machineries situated at Moti Sindholi, Kutch, Gujarat and, b) movable assets in respect of 3Layer PE Coating Line and Offline Welding & Finishing Lines for HSAW plant situated at Survey No.474, village Bhimasar, Tal. Anjar, Dist. Kutch; iii) Personal guarantees of Sh. Prakash. M. Sanghvi, Chairman and Managing Director, Sh. Jayanti.M. Sanghvi, Whole-time Director and Sh. Shanti.M. Sanghvi, Whole-time Director, of the Company; iv) Joint equitable mortgage of all immovable properties held as free-hold and leasehold lands of the Company, except:		
	a) Leasehold land related to 8 wind mills situated at Moti Sindholi, Kutch.		
	b) Lease hold land situated at 3306-09, GIDC Chhatral, Taluka Kalol and		
	c) 3Layer PE Coating Line and Offline Welding & Finishing Lines for HSAW plant situated at Survey No.474, Village Bhimasar, Tal. Anjar, Dist. Kutch.		
<b>7.2</b>	Other Loans and Advances from banks payable on demand are secured by personal guarantee of Sh. Prakash M. Sanghvi, Chairman and Managing Director of the Company.		
<b>8.</b>	<b>TRADE PAYABLES</b>		
	Trade Payables	12,755.55	15,204.46
		<u>12,755.55</u>	<u>15,204.46</u>

There are no Micro, Small and Medium Enterprise, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosure have been made. The above information regarding Micro, Small and Medium Enterprise has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

# Notes to Financial Statements for the Year ended 31st March, 2015

(₹ in Lacs)

Note No	Particulars	As at 31-03-2015	As at 31-03-2014
<b>9</b>	<b>OTHER CURRENT LIABILITIES</b>		
	- Current maturity of Long Term Borrowings (Refer note no. 5)	840.80	806.53
	- Interest Accrued but not due on Borrowings	24.94	62.85
	- Unpaid Dividend*	69.19	57.60
	- Other payable for capital expenditure	779.88	862.21
	- Others		
	- Interest free Advance from Customers	4,150.76	5,079.95
	- Security Deposits from Employees	1.63	3.18
	- Statutory dues payable	1,046.70	497.96
	- Others Misc. Liabilities	35.09	105.54
		<u>5,234.18</u>	<u>5,686.63</u>
		<u>6,948.99</u>	<u>7,475.82</u>

\*Not due for credit to "Investor Education & Protection Fund"

## 10 SHORT TERM PROVISIONS

- Provision for Employee Benefits				
- Compensated Absences		179.64		111.20
- Gratuity (Refer note no. 29)		50.27		64.95
- Other Provisions				
- Provision for Dividend	2,570.04		2,100.76	
- Provision for Dividend Tax	523.20		357.02	
- Provision for Income Tax	851.76		802.31	
(Net of Advance Tax and Tax deducted at Source)				
- Provision for Wealth Tax	23.00	3,968.00	23.00	3,283.09
		4,197.91		3,459.24

## 11. FIXED ASSETS

(₹ in Lacs)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01-04-2014	Additions / Adjustments	Disposals	As at 31-03-2015	As at 01-04-2014	For the Year	Deductions / Adjustments	As at 31-03-2015	As at 31-03-2015	As at 31-03-2014
<b>TANGIBLE ASSETS :</b>										
Lease Hold Land	35.03	-	-	35.03	-	-	-	-	35.03	35.03
Freehold Land	196.92	-	-	196.92	-	-	-	-	196.92	196.92
Buildings	11,888.88	233.72	81.22	12,041.38	2,064.58	593.35	51.69	2,606.24	9,435.14	9,824.30
Plant & Machinery	59,709.70	3,162.88	233.62	62,638.96	27,283.77	4,273.55	194.33	31,362.99	31,275.97	32,425.93
Furniture & Fixtures	674.52	98.13	-	772.65	264.79	92.89	-	357.68	414.97	409.73
Office Equipments	841.42	89.98	0.44	930.96	472.97	253.95	0.08	726.84	204.12	368.45
Vehicles	1,099.20	243.68	80.84	1,262.04	416.98	148.66	50.19	515.45	746.59	682.22
<b>TOTAL (A)</b>	<b>74,445.67</b>	<b>3,828.39</b>	<b>396.12</b>	<b>77,877.94</b>	<b>30,503.09</b>	<b>5,362.40</b>	<b>296.29</b>	<b>35,569.20</b>	<b>42,308.74</b>	<b>43,942.58</b>
<b>INTANGIBLE ASSETS :</b>										
Software	496.57	-	-	496.57	256.75	73.32	-	330.07	166.50	239.82
<b>TOTAL (B)</b>	<b>496.57</b>	<b>-</b>	<b>-</b>	<b>496.57</b>	<b>256.75</b>	<b>73.32</b>	<b>-</b>	<b>330.07</b>	<b>166.50</b>	<b>239.82</b>
<b>TOTAL (A+B)</b>	<b>74,942.24</b>	<b>3,828.39</b>	<b>396.12</b>	<b>78,374.51</b>	<b>30,759.84</b>	<b>5,435.72</b>	<b>296.29</b>	<b>35,899.27</b>	<b>42,475.24</b>	<b>44,182.40</b>
<b>PREVIOUS YEAR</b>	<b>65,356.18</b>	<b>9,738.02</b>	<b>151.96</b>	<b>74,942.24</b>	<b>26,307.70</b>	<b>4,586.48</b>	<b>134.34</b>	<b>30,759.84</b>	<b>44,182.40</b>	

### Notes :

- Additions in plant and machinery includes foreign exchange loss of ₹ 80.00 Lacs (P.Y. loss of ₹ 610.55 Lacs) on long term monetary items being capitalised with fixed assets in accordance with para 46A of Accounting Standard 11.
- Pursuant to the enactment of the Companies Act, 2013 the Company has applied the estimated useful lives as specified in the Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation / Amortization over the revised / remaining useful lives. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II. Hence, this change in depreciation rates did not have any material impact on financial statements of the Company. The written down value aggregating ₹ 292.36 Lacs of fixed assets whose lives have expired as at 01.04.2014 have been adjusted in the Statement of Profit and Loss.
- Buildings includes ₹ 47.80 Lacs (P.Y. ₹ 47.80 Lacs) representing cost of unquoted fully paid shares held in co-operative housing society.
- Freehold land includes land costing Rs. 38.74 Lacs being under dispute for title clearance in the name of the Company.



## Notes to Financial Statements for the Year ended 31st March, 2015

Note Particulars No	( ₹ in Lacs)	
	As at 31-03-2015	As at 31-03-2014
<b>12 NON-CURRENT INVESTMENTS</b> <b>(VALUED AT COST UNLESS STATED OTHERWISE)</b>		
<b>TRADE (UNQUOTED) :</b>		
- Investment in Subsidiary Company 10,000 (PY. Nil) Equity Shares of USD 1 each fully paid-up in Ratnamani Inc., USA	6.08	-
	<u>6.08</u>	<u>-</u>
<b>NON-TRADE (UNQUOTED) :</b>		
- Investment in Silver	0.84	0.84
- Investment in Govt. Securities National Savings Certificates	0.11	0.11
	<u>0.95</u>	<u>0.95</u>
	<u>7.03</u>	<u>0.95</u>
Aggregate amount of unquoted investments	<u>7.03</u>	<u>0.95</u>
<b>13 CURRENT INVESTMENTS</b> <b>(VALUED AT LOWER OF COST AND FAIR VALUE)</b>		
<b>INVESTMENT IN MUTUAL FUNDS (QUOTED)</b>		
1,00,00,000 (PY. 1,00,00,000) Units of ₹ 10 each in SBI-L383G SDFS-366 Days 48-Reg-Growth	1,000.00	1,000.00
1,00,00,000 (PY. 1,00,00,000) Units of ₹ 10 each in SBI-L390G SDFS-16 Months1-Reg-Growth	1,000.00	1,000.00
<b>INVESTMENT IN MUTUAL FUNDS (UNQUOTED)</b>		
Nil (PY.3,39,424.790) Units of ₹ 10 each in SBI-Premier Liquid Fund Daily Dividend Option	-	3,405.28
	<u>2,000.00</u>	<u>5,405.28</u>
Aggregate amount of quoted investments (Market value : ₹ 2,235.48 (P. Y: ₹ 2,049.64))	2,000.00	2,000.00
Aggregate amount of unquoted investments	<u>-</u>	<u>3,405.28</u>
<b>14 INVENTORIES</b> <b>(VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)</b>		
- Raw Materials		
- Raw Materials	17,059.55	10,823.47
- Raw Materials in Transit	116.74	2,945.77
	<u>17,176.29</u>	<u>13,769.24</u>
- Work-in-Process	13,750.45	8,500.87
- Finished Goods		
- Finished Goods	1,684.01	823.79
- Finished Goods in Transit	-	563.04
	<u>1,684.52</u>	<u>1,386.83</u>
- Stores and Spares	1,684.52	1,492.40
- Scrap	13.60	22.20
	<u>34,308.87</u>	<u>25,171.54</u>

## Notes to Financial Statements for the Year ended 31st March, 2015

(₹ in Lacs)

Note No	Particulars	As at 31-03-2015		As at 31-03-2014	
15	<b>TRADE RECEIVABLES (Refer note no. 15.1)</b>				
	<b>(Unsecured, considered good unless stated otherwise)</b>				
	Outstanding for a period exceeding six months from the date they are due for payment				
	- Considered good		46.96		186.69
	- Considered Doubtful		141.16		243.21
			<u>188.12</u>		<u>429.90</u>
	- Less: Provision for Doubtful Debt		141.16		243.21
			<u>46.96</u>		<u>186.69</u>
	Other receivables				
	- Considered good		22,290.46		27,624.51
			<u>22,337.42</u>		<u>27,811.20</u>
15.1	The amount of trade receivable is net of bills discounted of ₹ 10,444.10 Lacs (P.Y. ₹ 3,387.30 Lacs) with bankers and therefore the same is not shown as liability.				
16	<b>CASH AND BANK BALANCES</b>				
	<b>CASH AND CASH EQUIVALENT</b>				
	Balances with banks				
	- In Current accounts	1,029.12		527.09	
	- Deposits with original maturity of less than three months	3,400.00		1,900.00	
	- Unpaid dividend accounts	69.19		57.60	
	Cash in Hand	<u>17.62</u>	4,515.93	<u>9.03</u>	2,493.72
	Other Bank Balances				
	- Deposits with original maturity of more than three months but less than twelve months		3,053.00		1,847.47
			<u>7,568.93</u>		<u>4,341.19</u>
17	<b>LOANS AND ADVANCES</b>	Non-Current	Current	Non-Current	Current
	<b>(Unsecured - Considered good)</b>				
	- Capital Advance	1,960.30	-	179.09	-
	- Security Deposits	379.53	18.05	462.65	118.84
	- Advances recoverable in cash or kind	-	3,191.25	-	3,683.60
		<u>2,339.83</u>	<u>3,209.30</u>	<u>641.74</u>	<u>3,802.44</u>
	- Other Loans and Advances				
	- Advance Income Tax	144.44	-	144.44	-
	- Prepaid Expenses	-	188.02	-	147.23
	- Loans to Employees	10.01	26.01	12.35	26.39
	- Balances with Excise Authorities	-	3,384.41	-	1,593.12
		<u>154.45</u>	<u>3,598.44</u>	<u>156.79</u>	<u>1,766.74</u>
		<u>2,494.28</u>	<u>6,807.74</u>	<u>798.53</u>	<u>5,569.18</u>

## Notes to Financial Statements for the Year ended 31st March, 2015

(₹ in Lacs)

Note No	Particulars	As at 31-03-2015		As at 31-03-2014	
<b>17.1</b>	<b>Disclosures pursuant to Section 186 of the Companies Act, 2013</b>				
	<b>Loans &amp; Advances Given</b>				
	Name of the Party	Balance at year end	Maximum Amount Outstanding at any time during the year	Balance at year end	Maximum Amount Outstanding at any time during the year
	Anjalee Exim Pvt. Ltd.	-	625.00	-	800.00
	Anjalee Gems And Jewellers Pvt. Ltd.	-	300.00	-	-
	Arcadia Shipping Ltd.	-	1,000.00	-	700.00
	Auptag Refinery Pvt. Ltd.	-	-	-	400.00
	Bhansali Engineering Polymers Ltd.	-	800.00	-	1,500.00
	Bhansali Bright Bars Pvt. Ltd.	-	-	-	100.00
	Cicago Commodities Pvt. Ltd.	-	-	-	200.00
	D R Polymers Ltd.	-	-	-	200.00
	Gorlas Techno Space Ltd.	-	1,000.00	-	-
	Honest Enterprise Ltd.	-	500.00	-	500.00
	Laxmiraj Distributors Pvt. Ltd.	-	-	-	800.00
	Mehta Tubes Ltd.	-	350.00	-	-
	Monarch Infrapark Pvt. Ltd.	-	1,000.00	-	400.00
	Ratnaveer Stainless Products Pvt. Ltd.	-	200.00	-	75.00
	Ratnesh Metal Industries Pvt. Ltd.	-	-	-	300.00
	Real Strips Ltd.	-	1,000.00	-	1,500.00
	Satellite Developers Ltd.	-	500.00	-	500.00
	Sikkim Ferro Alloys Ltd.	-	1,000.00	-	1,500.00
	Stainless Metalex Pvt. Ltd.	-	500.00	-	-
	Vardhan Infrastructure Ltd.	-	-	-	550.00

The loan carries interest rate at 13.00 % are for meeting working capital requirements and are payable on demand.

### 18 OTHER CURRENT ASSETS

- Interest accrued	147.58	95.30
- Export benefits receivable	232.65	86.50
	<u>380.23</u>	<u>181.80</u>

## Notes to Financial Statements for the Year ended 31st March, 2015

		( ₹ in Lacs)	
Note No	Particulars	Year Ended on 31-03-2015	Year Ended on 31-03-2014
<b>19</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of Products (Refer note no. 19.1)		
	- Finished Goods	1,67,662.41	1,32,336.53
	- Traded Goods	136.77	2,386.62
	Sale of Power generated from Wind Mills	1,796.13	1,579.06
	Sale of Services (Refer note no. 19.2)	579.69	1,876.88
		<u>1,70,175.00</u>	<u>1,38,179.09</u>
	Other Operating Revenue		
	- Scrap Sales	4,118.25	3,213.79
	- Others	2,430.60	2,194.99
	Revenue from Operations (Gross)	<u>1,76,723.85</u>	<u>1,43,587.87</u>
	Less:- Excise Duty	9,168.53	8,291.87
	Revenue from Operations (Net)	<u>1,67,555.32</u>	<u>1,35,296.00</u>
<b>19.1</b>	<b>Details of Products Sold</b>		
	Finished goods sold		
	- Stainless Steel Tubes and Pipes	78,859.83	71,097.48
	- Carbon Steel Pipes	42,025.85	51,465.59
	- Carbon Steel Coated Pipes	46,776.73	9,773.46
		<u>1,67,662.41</u>	<u>1,32,336.53</u>
	Traded goods sold		
	- Stainless Steel Coils and Plates	79.03	2,245.73
	- Others	57.74	140.89
		<u>136.77</u>	<u>2,386.62</u>
	Power generated from Wind Mills	1,796.13	1,579.06
		<u>1,796.13</u>	<u>1,579.06</u>
<b>19.2</b>	<b>Details of Sale of Service</b>		
	- Jobwork charges - Stainless Steel Tubes and Pipes	40.62	58.47
	- Jobwork charges - Carbon Steel bare and Coated Pipes	539.07	1,818.41
		<u>579.69</u>	<u>1,876.88</u>
<b>20</b>	<b>OTHER INCOME</b>		
	- Interest Income on		
	Bank Deposits	207.11	31.15
	Inter-corporate Deposits	316.33	591.76
	Others	508.87	354.11
		<u>1,032.31</u>	<u>977.02</u>
	- Dividend Income on Current Investments	113.37	365.76
	- Profit on Sales / Discard of Fixed Assets (net)	5.47	-
	- Bad debts recovered	44.35	31.07
	- Excess Provision written back	101.96	-
	- Foreign Exchange Fluctuation (net)	1,174.81	-
	- Miscellaneous Income	38.83	20.36
		<u>2,511.10</u>	<u>1,394.21</u>

## Notes to Financial Statements for the Year ended 31st March, 2015

		( ₹ in Lacs)	
Note No	Particulars	Year Ended on 31-03-2015	Year Ended on 31-03-2014
<b>21</b>	<b>COST OF RAW MATERIALS CONSUMED</b>		
	- Opening Inventory	13,769.24	10,456.41
	- Add: Purchases	1,18,289.22	84,292.45
		<u>1,32,058.46</u>	<u>94,748.86</u>
	- Less: Closing Inventory	17,176.29	13,769.24
	Cost of Raw Materials consumed	<u>1,14,882.17</u>	<u>80,979.62</u>
<b>21.1</b>	<b>Details of Raw Materials consumed</b>		
	Stainless Steel plates, coils, billets, tubes and pipes	45,418.95	36,867.40
	Carbon Steel plates, coils and coating materials	69,463.22	44,112.22
		<u>1,14,882.17</u>	<u>80,979.62</u>
<b>21.2</b>	<b>Details of Closing Inventories</b>		
	Stainless Steel plates, coils, billets, tubes and pipes	7,087.55	9,282.65
	Carbon Steel plates, coils and coating materials	10,088.74	4,486.59
		<u>17,176.29</u>	<u>13,769.24</u>
<b>22</b>	<b>(INCREASE) / DECREASE IN INVENTORY</b>		
	Inventories at the end of the year		
	- Work in Process	13,750.45	8,500.87
	- Finished Goods	1,684.01	1,386.83
	- Scrap	13.60	22.20
		<u>15,448.06</u>	<u>9,909.90</u>
	Inventories at the beginning of the year		
	- Work in Process	8,500.87	8,108.24
	- Finished Goods	1,386.83	2,585.19
	- Scrap	22.20	7.34
		<u>9,909.90</u>	<u>10,700.77</u>
	(Increase) / Decrease In Inventory		
	- Work in Process	(5,249.58)	(392.63)
	- Finished Goods	(297.18)	1,198.36
	- Scrap	8.60	(14.86)
		<u>(5,538.16)</u>	<u>790.87</u>
<b>22.1</b>	<b>Details of purchase of traded goods</b>		
	- Stainless Steel Coils and Plates	77.48	2,181.39
	- Others	29.71	107.78
		<u>107.19</u>	<u>2,289.17</u>
<b>22.2</b>	<b>Details of Inventories at the end of the year</b>		
	Work-in-progress		
	- Stainless Steel Tubes and Pipes	8,618.86	5,528.42
	- Carbon Steel Pipes	5,131.59	2,972.45
		<u>13,750.45</u>	<u>8,500.87</u>
	Finished Goods		
	- Stainless Steel Tubes and Pipes	6.10	847.00
	- Carbon Steel Pipes	1,677.91	539.83
		<u>1,684.01</u>	<u>1,386.83</u>

## Notes to Financial Statements for the Year ended 31st March, 2015

		( ₹ in Lacs)	
Note No	Particulars	Year Ended on 31-03-2015	Year Ended on 31-03-2014
	Scrap		
	- Stainless Steel	-	0.09
	- Carbon Steel	13.60	22.11
		13.60	22.20
		15,448.06	9,909.90
<b>23</b>	<b>EMPLOYEE BENEFITS EXPENSE</b>		
	Salaries, Wages and Bonus	7,858.62	6,778.97
	Contribution to Provident and Other Funds	438.80	364.31
	Gratuity expense (Refer note no. 29)	263.60	170.72
	Staff Welfare Expenses	593.69	578.99
		9,154.71	7,892.99
<b>24</b>	<b>FINANCE COSTS</b>		
	Interest	542.04	506.72
	Interest on Income Tax	55.98	73.84
	Other Finance charges	338.78	453.39
		936.80	1,033.95
<b>25</b>	<b>OTHER EXPENSES</b>		
	Consumption of Stores & Spares	4,319.78	3,653.49
	Freight & Transport Charges	4,147.53	4,966.63
	Power & Fuel	3,893.08	3,029.89
	Labour & Processing Charges	1,660.13	1,502.30
	Repairs and Maintenance (Refer note no. 25.1)	771.22	1,114.27
	Quality Control	20.72	89.70
	Legal & Consultancy Charges	143.54	238.36
	Traveling & Conveyance Expenses	299.75	249.78
	Insurance (Refer note no. 28)	229.38	136.34
	Rent	105.16	105.48
	Rates & Taxes	283.85	202.26
	Auditors' Remuneration (Refer note no. 25.2)	29.70	29.89
	Advertisement & Other Expenses	109.27	87.94
	Foreign Exchange Fluctuation (net)	-	651.08
	Sales Commission	1,647.10	262.41
	Loss on Sale / Discard / Reduction in Value of Fixed Assets (net)	-	237.72
	Loss of Assets due to theft	1.63	-
	Increase / (Decrease) in excise duty on Inventory	95.56	(189.36)
	Loss on Sale of Current Investments (net)	-	45.28
	Bad debts / sundry balances written off	-	91.91
	Provision for Doubtful Debts	-	243.21
	Charity and Donations	184.31	258.00
	Directors' Sitting Fees	5.78	5.51
	Miscellaneous Expenses	1,067.52	682.85
		19,015.01	17,694.94
<b>25.1</b>	<b>Repairs and Maintenance</b>		
	- Plant and Machinery	546.68	992.53
	- Buildings	200.99	96.25
	- Others	23.55	25.49
		771.22	1,114.27

## Notes to Financial Statements for the Year ended 31st March, 2015

Note No	Particulars	( ₹ in Lacs)	
		Year Ended on 31-03-2015	Year Ended on 31-03-2014
<b>25.2</b>	<b>Payments to Joint Auditors</b>		
	As Auditor:		
	- Audit Fee	22.55	22.55
	- Limited Review	5.40	5.40
		<u>27.95</u>	<u>27.95</u>
	In other capacity:		
	- Taxation matters	1.25	0.90
	- Other Services	-	0.10
	- Reimbursement of expenses	0.50	0.94
		<u>1.75</u>	<u>1.94</u>
		<u>29.70</u>	<u>29.89</u>

**25.3** Other expenses includes ₹157.46 Lacs (P.Y. ₹ Nil), spent towards various activities relating to Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013.

### 26 CONTINGENT LIABILITIES

a) Bills discounted and not matured	10,444.10	3,387.30
b) ESI Liability (excluding interest leviable, if any)	270.00	241.81
c) Consolidated Tax payable to GIDC, Chhatral (Note-1)	11.14	8.57
d) Disputed Statutory Claims / levies for which the Company has preferred appeal in respect of (excluding interest leviable, if any) :		
- Income tax	288.76	-
- Excise Duty (Note-2)	3,315.13	3,310.06
- Custom Duty	-	8,474.79

Note-1 Consolidated tax payable to GIDC is demanded by GIDC, Ahmedabad modified under circular dated 9/7/2010 for levying and recovering "infrastructure upgradation fund" from the Company. The amount comprises of the per square meter charges towards infrastructure upgradation as well as interest and penalty thereupon. The Company has filed an appeal against the demand in High Court. The management does not expect these claims to succeed. Accordingly, no provision for the contingent liability has been recognized in the financial statements.

Note-2 Excise duty demand comprise various demands from the Excise Authorities for payment of ₹ 3,315.13 lacs ( P.Y. ₹ 3,310.06 Lacs). The Company has filed appeals against these demands. The Company has been advised by its legal counsel that the demand is likely to be deleted and accordingly no provision for liability has been recognized in the financial statements.

### 27 CAPITAL COMMITMENT

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 1,303.47 Lacs (P.Y. ₹ 2,292.03 Lacs).

**28** The Company has incurred premium expenses of ₹ 100.99 Lacs (P.Y. ₹ 10.84 Lacs) on Key Man Insurance Policy and term plan policy of Chairman and Managing director and Whole-time directors, which is included in Insurance Expenses.

## Notes to Financial Statements for the Year ended 31st March, 2015

(₹ In Lacs)

Note No	Particulars	2014-15	2013-14
<b>29</b>	<b>EMPLOYEE BENEFITS</b>		
	<b>A) Defined contribution to Provident Fund</b>		
	Employer's Contribution to Provident Fund	341.12	304.57
	Employer's Contribution to Superannuation Fund	97.44	59.41
	<b>B) Defined Benefit Plans - Gratuity (Funded)</b>		
	<b>a) Liability recognised in the Balance Sheet</b>		
	i) Present Value of obligation at the beginning of the Period	1,107.97	887.89
	Current Service Cost paid	84.92	83.20
	Interest Cost	103.15	73.25
	Actuarial (Gain) / Loss	169.95	91.86
	Benefit Paid	(56.03)	(28.23)
	Present Value of obligation as at year end	1,409.96	1,107.97
	Less:		
	ii) Fair Value of Plan Assets at the beginning of the Period	1,043.02	886.92
	Expected return on Plan Assets	90.74	77.16
	Actuarial Gain / (Loss)	3.68	0.43
	Employers' Contribution	278.28	106.74
	Benefit Paid	(56.03)	(28.23)
	Fair Value of Plan Assets as at year end	1,359.69	1,043.02
	Net liability recognised in the Balance Sheet	(50.27)	(64.95)
	<b>b) Expenses during the year</b>		
	Service Cost	84.92	83.20
	Interest Cost	103.15	73.25
	Expected return on Plan assets	(90.74)	(77.16)
	Actuarial (Gain) / Loss	166.27	91.43
	Total	263.60	170.72
	<b>c) Actual Return on plan assets</b>	94.42	77.59
	<b>d) Break up of Plan Assets as a percentage of total Plan Assets</b>		
	(Percentage or Value)		
	Insurer managed Funds	100%	100%
	<b>e) The Company expects to contribute ₹ 158.79 Lacs (P. Y ₹ 149.87 Lacs) to gratuity in the next year.</b>		
	<b>f) Principal actuarial assumptions</b>		
	Rate of Discounting	7.98%	9.31%
	Expected return on Plan Assets	7.98%	8.70%
	Rate of increase in Salaries	8.00%	8.25%
	Attrition Rate	2.00%	2.00%

The Employees' Gratuity Fund Scheme managed by a Trust (Life Insurance Corporation of India) is a defined benefit plan. In assessing the Company's post retirement liabilities, the Company monitors mortality assumption and uses up-to-date mortality table. The base being the Indian Assured Lives Mortality (2006-08) ultimate tables. The obligation for leave encashment is recognised in the same manner as gratuity.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.



## Notes to Financial Statements for the Year ended 31st March, 2015

Amount for the current and previous four periods are as follows:

	2014-15	2013-14	2012-13	2011-12	2010-11
Defined benefit obligation	1,409.96	1,107.97	887.89	729.03	665.71
Plan assets	1,359.69	1,043.02	886.92	741.17	665.71
Surplus / (deficit)	(50.27)	(64.95)	(0.97)	12.14	-
Experience adjustment on plan liabilities	48.50	169.43	28.18	(17.75)	2.33
Experience adjustment on plan assets	3.68	0.43	4.83	5.37	6.28

### 30 EMPLOYEE STOCK OPTION SCHEME (ESOS)

The Company provides share-based payment schemes to its employees. During the year ended 31st March, 2015, an Employee Stock Option Scheme (ESOS) was in existence. The relevant details of the scheme and the grant are as below:

During the financial year 2005-06, the board of directors of the Company approved the Equity Settled ESOS Scheme 2006 (Scheme 2006) for issue of stock options to the permanent employees and independent directors of the Company. Scheme 2006 was approved at the Extra Ordinary General Meeting by the Members of the Company held on 6th May, 2006. According to the Scheme 2006, the employees were selected by the compensation committee, subject to satisfaction of the prescribed vesting conditions. The contractual life (comprising the vesting period and the exercise period) of options granted was 8 years (Original exercise period was 5 years which was further extended for a period of 3 years in the Annual General Meeting of the Company held as on 18.08.2011). The Company has used 'Intrinsic value' method as defined in SEBI guidelines. The other relevant terms of the grant were as below:

Vesting period	3 Years
Exercise period	8 Years
Expected life	8 Years
Exercise price (per share)	₹ 59.40
Market price at the date of issue	₹ 82.80
No. of Options of face value of ₹ 2/- each, authorized by the plan*	2,250,000

\* The number of options were granted and vested completely and the Exercise price per option was adjusted on account of sub-division of equity share having face value of ₹10/- each into five equity shares of face value of ₹2/- each.

The details of activity under the Scheme 2006 are summarised below:

Particulars	2014-15		2013-14	
	No. of Options	WAEP (₹)	No. of Options	WAEP (₹)
Outstanding at the beginning of the year	566,550	59.40	834,391	59.40
Granted during the year	-	-	-	-
Forfeited during the year	522,000	59.40	-	-
Exercised during the year	44,550	59.40	267,841	59.40
Outstanding at the end of the year	-	-	566,550	59.40
Exercisable at the end of the year	-	-	566,550	59.40

The price of ₹ 59.40 per equity share was fixed for exercise of options by employees.

The weighted average remaining contractual life for the stock options outstanding is Nil (P.Y. seven months).

The shares were exercised on 31.10.2014 (P.Y. 02.12.2013). The weighted average share price at the date of exercise is ₹ 448.85 (P.Y. ₹ 128.94) per share.

Amount under employee stock options represents, the difference between the market price of the share on the date of grant of options and the exercise price of the options on outstanding options and was to be transferred to securities premium on exercise of the options.

## Notes to Financial Statements for the Year ended 31st March, 2015

### 31 SEGMENT INFORMATION

The Company is engaged in the business of Steel Tubes and Pipes and generation of power by Windmills. In accordance with the requirements of Accounting Standard 17, 'Segment Reporting', notified under the Companies (Accounting Standards) Rules, 2006, the Company's business segments are considered primary reportable business segments.

Segments have been identified in line with Accounting Standard on Segment Reporting (AS-17) taking into account the nature of product and differential risk and returns.

#### Primary Reportable Segment (Business Segment)

(₹ in Lacs)

Particulars	Steel Tubes and Pipes	Windmill	Total
<b>Revenue</b>			
<b>Revenue from Operations</b>	<b>1,74,927.72</b>	<b>1,796.13</b>	<b>176,723.85</b>
	(1,42,008.81)	(1,579.06)	(1,43,587.87)
Less:- Excise Duty	<b>9,168.53</b>	-	<b>9,168.53</b>
	(8,291.87)	-	(8,291.87)
Net Sales	<b>1,65,759.19</b>	<b>1,796.13</b>	<b>1,67,555.32</b>
	(1,33,716.94)	(1,579.06)	(1,35,296.00)
Inter Segment Sales	-	-	-
	-	-	-
Total Sales	<b>1,65,759.19</b>	<b>1,796.13</b>	<b>1,67,555.32</b>
	(1,33,716.94)	(1,579.06)	(1,35,296.00)
<b>Results</b>			
Segment Results before Interest and Finance Costs	<b>24,992.86</b>	<b>810.66</b>	<b>25,803.52</b>
	(21,110.63)	(627.95)	(21,738.58)
Interest and Dividend Income			<b>1,145.68</b>
			(1,342.78)
Foreign Exchange (Gain) / Loss on Buyers Credit (net)			<b>(60.58)</b>
			(625.22)
Interest and Finance Costs			<b>936.80</b>
			(1,033.95)
Net Profit Before Tax			<b>26,072.98</b>
			(21,422.19)
<b>Other Information</b>			
Segment Assets	<b>1,06,797.85</b>	<b>10,401.01</b>	<b>1,17,198.86</b>
	(97,885.22)	(9,346.44)	(1,07,231.66)
Unallocable Assets			<b>5,360.68</b>
			(7,529.15)
Total Assets	<b>1,06,797.85</b>	<b>10,401.01</b>	<b>1,22,559.54</b>
	(97,885.22)	(9,346.44)	(1,14,760.81)
Segment Liabilities	<b>18,972.41</b>	<b>27.11</b>	<b>18,999.52</b>
	(21,928.25)	(1.20)	(21,929.45)
Unallocated Liabilities and Provisions			<b>12,722.46</b>
			(16,177.83)
Total Liabilities	<b>18,972.41</b>	<b>27.11</b>	<b>31,721.98</b>
	(21,928.25)	(1.20)	(38,107.28)
Segment Depreciation	<b>4,786.55</b>	<b>649.17</b>	<b>5,435.72</b>
	(3,952.40)	(634.08)	(4,586.48)
Capital Expenditure:			
Tangible Fixed Assets	<b>6,742.99</b>	<b>1,750.00</b>	<b>8,492.99</b>
	(5,421.61)	(2,505.97)	(7,927.58)
Intangible Assets	-	-	-
	(34.24)	-	(34.24)

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

## Notes to Financial Statements for the Year ended 31st March, 2015

Secondary Reportable Segment (Geographical by Customers)			(₹ in Lacs)
Particulars	In India	Outside India	Total
Segment Revenue	<b>1,31,434.22</b> (1,03,161.85)	<b>36,121.10</b> (32,134.15)	<b>1,67,555.32</b> (1,35,296.00)
Segment Assets	<b>121,550.16</b> (1,09,305.19)	<b>1,009.38</b> (5,455.62)	<b>122,559.54</b> (1,14,760.81)

### 32 RELATED PARTY DISCLOSURES

As required by Accounting Standard - AS 18 "Related Parties Disclosures" the disclosure of transactions with related parties are given below :

#### A Relationships

##### (a) Subsidiary Company

- Ratnamani Inc., USA

##### (b) Key Management Personnel

- Mr. Prakash M. Sanghvi – Chairman and Managing Director
- Mr. Jayanti M. Sanghvi – Whole-time Director
- Mr. Shanti M. Sanghvi – Whole-time Director

##### (c) Relatives of key management personnel

- Mr. Manoj P. Sanghvi ( Son of Mr. Prakash M. Sanghvi )
- Mr. Prashant J. Sanghvi ( Son of Mr. Jayanti M. Sanghvi )
- Mr. Nilesh P. Sanghvi ( Son of Mr. Prakash M. Sanghvi )
- Mr. Jigar P. Sanghvi ( Son of Mr. Prakash M. Sanghvi )
- Mr. Yash S. Sanghvi ( Son of Mr. Shanti M. Sanghvi )

##### (d) Enterprises owned or significantly influenced by key management personnel or their relatives

- Ratnamani Food Products Private Ltd.
- Ratnamani Marketing Private Ltd.
- Ratnamani Healthcare Private Ltd.

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

Particulars	2014-15	2013-14
(₹ in Lacs)		
<b>Interest Expense</b>		
- Ratnamani Food Products Private Ltd.	-	43.77
<b>Interest Income</b>		
- Ratnamani INC., USA	52.86	-
<b>Rent Expense</b>		
- Ratnamani Food Products Private Ltd.	14.40	14.09
- Ratnamani Marketing Private Ltd.	16.56	16.56
<b>Subscription to Equity Shares</b>		
- Ratnamani INC., USA	6.08	-
<b>Reimbursement of Expense</b>		
- Ratnamani Healthcare Private Ltd.	1.66	1.35
- Ratnamani INC., USA	13.26	-
<b>Recovery of other expenses</b>		
- Ratnamani INC., USA	36.90	-
<b>Other Purchases</b>		
- Ratnamani Healthcare Private Ltd.	-	2.28

## Notes to Financial Statements for the Year ended 31st March, 2015

( ₹ in Lacs)

Note No	Particulars	2014-15	2013-14
	<b>Sales</b>		
	- Ratnamani INC., USA	5,666.64	-
	<b>Remuneration</b>		
	- Mr. Prakash M. Sanghvi	132.16	123.47
	- Mr. Jayanti M. Sanghvi	89.41	83.84
	- Mr. Shanti M. Sanghvi	73.20	66.37
	- Mr. Manoj P. Sanghvi	43.53	41.37
	- Mr. Prashant J. Sanghvi	34.53	30.11
	- Mr. Nilesh P. Sanghvi	31.25	25.90
	- Mr. Jigar P. Sanghvi	7.85	3.42
	- Mr. Yash S. Sanghvi	2.67	-
	<b>Commission</b>		
	- Mr. Prakash M. Sanghvi	1,200.00	1,000.00
	- Mr. Jayanti M. Sanghvi	720.00	600.00
	- Mr. Shanti M. Sanghvi	480.00	400.00
	<b>Receipt of Loans</b>		
	- Ratnamani Food Products Private Ltd.	251.00	5,476.45
	- Mr. Prakash M. Sanghvi	400.00	-
	<b>Repayment of Loans</b>		
	- Ratnamani Food Products Private Ltd.	251.00	5,476.45
	- Mr. Prakash M. Sanghvi	400.00	-
	<b>Loans Given</b>		
	- Ratnamani INC., USA	7.79	-
	<b>Loans Repaid</b>		
	- Ratnamani INC., USA	7.79	-
	<b>Outstanding as at year end</b>		
	<b>Receivable</b>		
	- Ratnamani INC., USA	87.14	-
	<b>Trade Payable</b>		
	- Mr. Prakash M. Sanghvi	1,207.92	1,004.42
	- Mr. Jayanti M. Sanghvi	725.28	602.98
	- Mr. Shanti M. Sanghvi	484.40	402.50
	- Mr. Manoj P. Sanghvi	1.76	1.38
	- Mr. Prashant J. Sanghvi	1.37	1.05
	- Mr. Nilesh P. Sanghvi	1.20	0.93
	- Mr. Jigar P. Sanghvi	0.61	0.21
	- Mr. Yash S. Sanghvi	0.22	-
<b>33</b>	<b>VALUE OF IMPORTS CALCULATED ON CIF BASIS (ON ACCRUAL BASIS)</b>		
	Raw Materials	42,685.38	23,175.16
	Components and Spare Parts	571.09	310.86
	Capital Goods	1,988.53	3,176.10

### 34 IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED

	2014-15		2013-14	
	%	(₹ in Lacs)	%	(₹ in Lacs)
<b>Raw Materials</b>				
Indigenous	70.96	81,517.19	70.81	57,342.18
Imported	29.04	33,364.98	29.19	23,637.44
	100.00	1,14,882.17	100.00	80,979.62
<b>Components and spare parts</b>				
Indigenous	87.56	3,782.48	79.53	2,905.70
Imported	12.44	537.30	20.47	747.79
	100.00	4,319.78	100.00	3,653.49

**35** Earnings in Foreign Exchange: Export at F.O.B. value ₹ 36,118.53 Lacs (P.Y. ₹ 31,120.51 Lacs).

### 36 EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS) (₹ in Lacs)

Particulars	2014-15	2013-14
Finance costs	234.80	359.68
Freight and transport	22.80	319.72
Sales commission	416.98	344.27
Travelling expenses	50.05	28.45
Advertisement expenses	47.70	44.87
Legal & Professional Fees	-	31.21
Other expenses	29.95	13.13
<b>Total</b>	<b>802.28</b>	<b>1,141.33</b>

### 37 EARNINGS PER SHARE (EPS) :

		2014-15	2013-14
i) Profit as per Statement of Profit & Loss	(₹ in Lacs)	17,250.80	14,280.82
ii) Weighted average No. of shares for EPS computation			
a) For Basic EPS (Nos)	(Lacs)	467.00	464.63
b) For Diluted EPS (Nos) *	(Lacs)	467.00	468.44
Earnings per Share (Basic)	(₹)	36.94	30.74
Earnings per Share (Diluted)	(₹)	36.94	30.49
Nominal Value of Shares	(₹)	2.00	2.00
*Potential equity shares arising out of shares options (ESOS) (Nos)	(Lacs)	-	1.60

### 38 DERIVATIVE INSTRUMENTS AT YEAR END :

Sr. No.	Particulars	31-03-2015 Amount (₹ in Lacs)	31-03-2015 Foreign Currency (In Lacs)	31-03-2014 Amount (₹ in Lacs)	31-03-2014 Foreign Currency (In Lacs)	Purpose
1	Forward Contracts (Sale)	1,273.30	USD 20.00	260.24	USD 4.00	Hedge of highly probable foreign currency sale
2	Forward Contracts (Purchase)	-	-	1,940.44	USD 29.78	Hedge of highly probable foreign currency purchase
3	Interest Rate Swaps (Hedge against External Commercial Borrowing of USD 8.0 Million.)	1,681.60	USD 26.67	2,419.60	USD 40.00	Hedging of interest liability for moving from variable interest to fixed interest regime.

### 39 PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE AS AT YEAR END :

Sr. No.	Particulars	Currency	31-03-2015 Amount (₹ in Lacs)	31-03-2015 Foreign Currency (in Lacs)	31-03-2014 Amount (₹ in Lacs)	31-03-2014 Foreign Currency (in Lacs)
1	Import trade payable	EUR	995.62	14.55	2,791.92	33.44
		USD	1,423.89	22.58	3,662.22	60.54
		JPY	-	-	0.18	0.30
2	Import trade receivable (advance payment made)	EUR	2.58	0.04	23.38	0.29
		USD	133.30	2.14	50.49	0.81
		AUD	-	-	0.36	0.01
		GBP	0.71	0.01	-	-
3	Export trade receivable	EUR	20.85	0.31	2.48	0.03
		USD	768.77	12.36	5,384.87	90.73
4	Export trade payable (advance payment received)	USD	1,173.52	18.61	2,610.08	43.15
5	Short term foreign currency loans	EUR	-	-	1,155.91	13.85
		USD	2,144.04	34.00	1,763.89	29.16
6	Balance in EEFC account	USD	875.46	14.07	505.84	8.52
7	Long term foreign currency loans	USD	1,681.60	26.67	2,419.60	40.00
8	Interest Accrued but not due on Borrowings	USD	24.94	0.40	46.87	0.78
		EUR	-	-	5.93	0.07
9	Investment in Subsidiary Company	USD	6.08	0.10	-	-

#### Closing Rates as at 31st March, 2015:

INR/USD = ₹ 63.06 (Payable)  
 INR/USD = ₹ 62.22 (Receivable)  
 INR/EUR = ₹ 68.42 (Payable)  
 INR/EUR = ₹ 66.89 (Receivable)  
 INR/GBP = ₹ 91.62 (Receivable)

#### Closing Rates as at 31st March, 2014:

INR/USD = ₹ 60.49 (Payable)  
 INR/USD = ₹ 59.35 (Receivable)  
 INR/EUR = ₹ 83.48 (Payable)  
 INR/EUR = ₹ 81.31 (Receivable)  
 INR/JPY = ₹ 0.5903 (Payable)  
 INR/AUD = ₹ 54.60 (Payable)

**40** Previous year figures have been regrouped / reclassified where necessary to conform to this year's classification.

As per our report of even date

**For Mehta Lodha & Co.**  
 Chartered Accountants  
 Firm Registration No: 106250W

**per PRAKASH D. SHAH**  
 Partner  
 Membership No. 34363

**For S R B C & Co. LLP**  
 Chartered Accountants  
 Firm Registration No: 324982E

**per ARPIT K. PATEL**  
 Partner  
 Membership No. 34032

**For Ratnamani Metals & Tubes Limited**

**P. M. SANGHVI**  
 Chairman and  
 Managing Director

**J. M. SANGHVI**  
 Whole Time Director

**S. M. SANGHVI**  
 Whole Time Director

**D. C. ANJARIA**  
 Director

**DR. V. M. AGRAWAL**  
 Director

**P. M. MEHTA**  
 Director

**NIDHI GADHECHA**  
 Director

**VIMAL KATTA**  
 Vice President (Finance)

**RAJEEV MUNDRA**  
 Company Secretary

Place : Ahmedabad  
 Date : May 7, 2015

The background features a large, light gray circle centered on the page. Within this circle, there are several smaller, concentric circles and segments. Four larger, light gray circular segments are positioned at the top, bottom, left, and right, partially overlapping the central circle. The text "CONSOLIDATED FINANCIAL STATEMENTS" is centered within the innermost circle.

# **CONSOLIDATED FINANCIAL STATEMENTS**

# INDEPENDENT AUDITORS' REPORT

## To the Members of Ratnamani Metals and Tubes Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Ratnamani Metals and Tubes Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") , comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, Issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2015, their consolidated profit, and their consolidated cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. (Other than Holding Company, none of its subsidiary is incorporated in India).
2. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
  - (a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - (c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Group has disclosed the impact of pending litigations on its consolidated financial position of the Group – Refer Note 11 and 26 to the consolidated financial statements.
    - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

## Other Matter

The accompanying consolidated financial statements include total assets of ₹ 234.89 lacs as at March 31, 2015, and total revenues and net cash outflows of ₹ 5,879.49 lacs and ₹ 233.50 lacs for the year ended on that date, in respect of its subsidiary, which has been audited by Mehta Lodha & Co. in accordance with generally accepted auditing standards of India, which financial statements, other financial information and auditor's report have been furnished to us by the management. Our opinion on the consolidated financial

statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based on the report of such auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of such auditors.

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**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. : 324982E

**per Arpit K. Patel**

Partner

Membership No. 34032

Place: Ahmedabad

Date: May 7, 2015

**For Mehta Lodha & Co.**

Chartered Accountants

ICAI Firm Registration No. : 106250W

**per Prakash D. Shah**

Partner

Membership No. 34363

Place: Ahmedabad

Date: May 7, 2015

## **Annexure referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date**

**Re: Ratnamani Metals and Tubes Limited to whom the provisions of the Order apply (hereinafter referred to as “the Holding Company”)**

- (i) (a) The Holding Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Holding Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The Management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Holding Company and the nature of its business.
- (c) The Holding Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Holding Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Holding Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Holding Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Holding Company in respect of these areas.
- (v) The Holding Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Holding Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture of steel tubes and pipes, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Holding Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Holding Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of statute	Nature of dues	₹ (In Lacs)	Period to which the amount relates	Forum Where dispute is pending
Central Excise Act, 1944	Excise duty	41.74	July 2006 to May 2007	Assistant Commissioner
		8.76	March 2010 to April 2010	Central Excise and Service tax Appellate Tribunal
		3,244.04	March 2005 to November 2007	Central Excise and Service tax Appellate Tribunal
The Finance Act (Service Tax), 1994	Service Tax	5.07	October 2008 to September 2010	Assistant Commissioner
		4.26	December 2006 to December 2008	Central Excise and Service tax Appellate Tribunal
		11.26	April 2006 to March 2007	Central Excise and Service tax Appellate Tribunal
Employees State Insurance Scheme	Tax	270.00	November 1991 to March 2015	Hon'ble High Court of Gujarat
Consolidated Notified Area Tax-GIDC	Tax	8.55	April 2005 to October 2013	Hon'ble High Court of Gujarat
Income Tax Act, 1961	Income tax	288.76	AY 2012-13	Deputy Commissioner (Appeals)
Central Sales Tax Act, 1956	Tax	74.30	April 2006 to March 2009	Joint Commissioner (Appeals)
		38.08	April 2009 to March 2011	Dy. Commissioner (Appeals)
Gujarat Value Added Tax, 2003	Tax and Interest	239.58	April 2010 to March 2011	Dy. Commissioner (Appeals)

- (d) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- (viii) The Holding Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Holding Company has not defaulted in repayment of dues to a financial institution or bank.
- (x) According to the information and explanations given to us, the Holding Company has not given any guarantee for loans taken by others from bank or financial institutions.

- (xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Holding Company has been noticed or reported during the year.

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**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. : 324982E

**per Arpit K. Patel**

Partner

Membership No. 34032

Place: Ahmedabad

Date: May 7, 2015

**For Mehta Lodha & Co.**

Chartered Accountants

ICAI Firm Registration No. : 106250W

**per Prakash D. Shah**

Partner

Membership No. 34363

Place: Ahmedabad

Date: May 7, 2015

# Consolidated Balance Sheet as at 31st March, 2015

Particulars	Note	(₹ in Lacs) As at 31-03-2015
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' Funds</b>		
Share Capital	3	934.56
Reserves and Surplus	4	89,999.90
		<u>90,934.46</u>
<b>Non-current Liabilities</b>		
Long-term Borrowings	5	840.80
Deferred Tax Liabilities (net)	6	4,776.50
		<u>5,617.30</u>
<b>Current Liabilities</b>		
Short-term Borrowings	7	2,202.23
Trade Payables	8	12,755.55
Other Current Liabilities	9	6,948.99
Short-term Provisions	10	4,242.68
		<u>26,149.45</u>
<b>Total</b>		<u><u>1,22,701.21</u></u>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Fixed Assets		
Tangible Assets	11	42,308.74
Intangible Assets	11	166.50
Capital Work-in-Progress		4,179.80
		<u>46,655.04</u>
Non-current Investments	12	0.95
Loans and Advances	17	2,494.28
		<u>49,150.27</u>
<b>Current Assets</b>		
Current Investments	13	2,000.00
Inventories	14	34,308.87
Trade Receivables	15	22,250.28
Cash and Bank Balances	16	7,802.43
Short-term Loans and Advances	17	6,809.13
Other Current Assets	18	380.23
		<u>73,550.94</u>
<b>Total</b>		<u><u>1,22,701.21</u></u>

Summary of Significant Accounting Policies 2.1

The accompanying notes are integral part of the Financial Statements.

As per our report of even date

**For Mehta Lodha & Co.**

Chartered Accountants

Firm Registration No: 106250W

**per PRAKASH D. SHAH**

Partner

Membership No. 34363

**For S R B C & Co. LLP**

Chartered Accountants

Firm Registration No: 324982E

**per ARPIT K. PATEL**

Partner

Membership No. 34032

**For Ratnamani Metals & Tubes Limited**

**P. M. SANGHVI**

Chairman and  
Managing Director

**S. M. SANGHVI**

Whole Time Director

**DR. V. M. AGRAWAL**

Director

**NIDHI GADHECHA**

Director

**VIMAL KATTA**

Vice President (Finance)

**J. M. SANGHVI**

Whole Time Director

**D. C. ANJARIA**

Director

**P. M. MEHTA**

Director

**RAJEEV MUNDRA**

Company Secretary

Place : Ahmedabad

Date : May 7, 2015

# Consolidated Statement of Profit & Loss

for the year ended on 31st March 2015

Particulars	Note	(₹ in Lacs) Year ended 31-03-2015
<b>INCOME</b>		
Revenue from Operations (Gross)	19	1,76,849.12
Less:- Excise Duty		9,168.53
Revenue from Operations (Net)		167,680.59
Other Income	20	2,550.21
<b>Total Revenue</b>		<b>1,70,230.80</b>
<b>EXPENSES</b>		
Cost of Raw Materials Consumed	21	1,14,882.17
Purchase of Traded Goods	22.1	107.19
Changes in Inventories of Finished Goods & Work-in-Process	22	(5,538.16)
Employee Benefits Expense	23	9,160.88
Finance Costs	24	937.00
Depreciation and Amortisation Expense	11	5,435.72
Other Expenses	25	19,033.95
<b>Total Expenses</b>		<b>1,44,018.75</b>
Profit Before Tax		<b>26,212.05</b>
Tax Expense		
Current Tax		8,790.28
Excess Provision for Current Tax of earlier years		(31.77)
Deferred Tax		108.44
<b>Net Profit After tax</b>		<b>17,345.10</b>
Earning Per Equity Share (₹) of face value of ₹ 2/- each:	33	
Basic		37.14
Diluted		37.14
Summary of Significant Accounting Policies	2.1	
The accompanying notes are integral part of the Financial Statements.		

As per our report of even date

**For Mehta Lodha & Co.**

Chartered Accountants

Firm Registration No: 106250W

**per PRAKASH D. SHAH**

Partner

Membership No. 34363

**For S R B C & Co. LLP**

Chartered Accountants

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Director

**RAJEEV MUNDRA**

Company Secretary

Place : Ahmedabad

Date : May 7, 2015

## Consolidated Cash Flow Statement for the year 2014-15

(₹ in Lacs)

Particulars	2014-2015
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net Profit before tax as per Statement of Profit and Loss	26,214.65
Adjusted For:	
Loss on Sale / Discard of Assets & Capital Work-in-Progress (net)	(5.47)
Depreciation / Amortisation	5,435.72
Dividend Income	(113.37)
Interest Income	(1,031.39)
Unrealised Foreign Exchange Loss	125.56
Excess provision written back	(101.96)
Interest Expenses	598.03
Operating Profit before working capital changes	31,121.77
Adjusted For:	
Decrease / (Increase) in trade receivables	5,662.88
Decrease / (Increase) in inventories	(9,137.33)
Decrease / (Increase) in short term loans and advances	(1,239.95)
Decrease / (Increase) in long term loans and advances	85.46
Decrease / (Increase) in other current assets	(146.15)
Increase / (Decrease) in trade payables	(2,448.91)
Increase / (Decrease) in other current liabilities	(440.86)
Increase / (Decrease) in short term provisions	53.76
<b>Cash Generated from Operations</b>	23,510.67
Direct Taxes Paid	(8,664.29)
<b>Net Cash Generated from Operating Activities</b>	14,846.38
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase of Fixed Assets, including CWIP and capital advances	(8,492.99)
Proceeds from Sale of Fixed Assets	105.30
Sales / (Purchase) of Investments (net)	3,405.28
Investments in Bank Deposits	(3,053.00)
(having original maturity of more than three months)	
Redemption / maturity of Bank Deposits	1,847.47
(having original maturity of more than three months)	
Dividend Income	113.37
Interest Income	979.11
<b>Net Cash used in Investing Activities</b>	(5,095.46)
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>	
Proceeds from Issue of Shares	26.46
Repayment of Long Term Borrowings	(818.00)
Short Term Borrowings (net)	(3,491.88)
Dividend paid (including Dividend Distribution Tax)	(2,457.78)
Interest Paid	(635.93)
<b>Net Cash (used in) Financing Activities</b>	(7,377.13)



## Cash Flow Statement for the year 2014-15

(₹ in Lacs)

Particulars	2014-2015
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>2,373.79</b>
Effect of Exchange difference on Cash and Cash equivalents held in foreign currency	(118.08)
Opening Balance of Cash and Cash Equivalents	2,493.72
Closing Balance of Cash and Cash Equivalents (Refer note no. 16)	4,749.43
<b>Components of Cash and Cash equivalents</b>	
Balances with Banks in Current Accounts	1,262.62
Deposits with original maturity of less than three months	3,400.00
Balances with Banks earmarked for Unpaid Dividend	69.19
Cash in Hand	17.62
<b>Total Cash and Cash equivalents (note 16)</b>	<b>4,749.43</b>

As per our report of even date

**For Mehta Lodha & Co.**

Chartered Accountants

Firm Registration No: 106250W

**per PRAKASH D. SHAH**

Partner

Membership No. 34363

**For S R B C & Co. LLP**

Chartered Accountants

Firm Registration No: 324982E

**per ARPIT K. PATEL**

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Director

**P. M. MEHTA**

Director

**RAJEEV MUNDRA**

Company Secretary

Place : Ahmedabad

Date : May 7, 2015

# Notes to Consolidated Financial Statements

## for the Year ended 31st March, 2015

### 1 CORPORATE INFORMATION

Ratnamani Metals & Tubes Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The Company is engaged in the manufacturing of stainless steel pipes and tubes and carbon steel pipes at Kutch, Indrad and Chhatral in the state of Gujarat. The Company caters to both domestic and international markets.

### 2 BASIS OF ACCOUNTING

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Account) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

#### 2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

##### a. Principles of Consolidation

The Consolidated financial statements relate to the Ratnamani Group which comprises the financial statements of Ratnamani Metals and Tubes Limited (the "Company") and its subsidiary, Ratnamani Inc., USA. In the preparation of consolidated financial statements, investment in the subsidiary has been accounted for in accordance with Accounting Standard (AS) 21- 'Consolidated Financial Statements'. Consolidated financial statements have been prepared on the following basis:

- i) Subsidiary is fully consolidated from the date of incorporation, being the date on which the Company obtains control, and continues to be consolidated until the date that such control ceases (including through voting rights). Subsidiary has been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions. The unrealized profits resulting from intra-group transactions that are included in the carrying amount of assets are eliminated in full.
- ii) Financial statements of the subsidiary are prepared for the same reporting year as the parent company, using consistent accounting policies. As far as possible, the consolidated financial statements have been prepared using uniform accounting policies, consistent with the Company's stand-alone financial statements for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements. Any deviation in accounting policies is disclosed separately.
- iii) Translation of the financial statements of non integral foreign subsidiary for incorporation in the consolidated financial statements have been done using the following exchange rates:
  - (a) Assets and liabilities have been translated by using the rates prevailing as on the date of the balance sheet.
  - (b) Income and expense items have been translated by using the average rate of exchange prevailing during the year, which approximates to the exchange rate prevailing at the transaction date.
  - (c) Exchange difference arising on translation of financial statements of non integral operations as specified above is recognised in the Foreign Currency Translation Reserve until the disposal of net investment.

## Notes to Consolidated Financial Statements for the Year ended 31st March, 2015

- iv) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- v) The subsidiary considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	% of Ownership interest as at March 31, 2015
Ratnamani Inc.*	United States of America	100%

\* Incorporated on 12th June, 2014

### b. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and / or liabilities in future periods.

### c. TANGIBLE FIXED ASSETS

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, the cost of replacing part of the fixed assets and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of parts replaced are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated 09 August 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Gain or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the Statement of Profit and Loss as and when the assets is derecognized.

## Notes to Consolidated Financial Statements

### for the Year ended 31st March, 2015

#### d. INTANGIBLE FIXED ASSETS

Intangible Assets are carried at cost less accumulated amortisation and accumulated impairment, if any.

Intangible assets are amortised on a straight-line basis over six years.

#### e. DEPRECIATION AND AMORTISATION

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on, the useful lives defined under schedule II except in respect of following fixed assets:

- (i) The amount of Long Term Lease hold land: It is amortised in equal installments during the last fifteen years of the residual lease period.
- (ii) Furnace and X-ray machines are depreciated at an annual rate of 20% to bring the depreciation rates in line with the useful life of assets as estimated by the Technical Team of the Company.
- (iii) The useful life of Wind Mills is estimated as 20 years based on sublease period of the land and the PPA / Wheeling Agreements entered into with the local authorities.

#### f. INVESTMENTS

Investments that are readily realisable and intended to be held for not more than a year from the date on which investments are made are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-current investments are carried at cost.

However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### g. INVENTORIES

Raw materials, work-in-process, finished goods, traded goods and stores and spares are valued at lower of cost and net realizable value after providing for obsolescence and other losses, where-ever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Scrap is valued at net realisable value. Cost is determined on a Weighted Average method.

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, incurred in bringing them in their respective present location and condition. Cost of finished goods includes excise duty.

Net realizable value is the estimated selling price in the ordinary course of business.

#### h. REVENUE

- i) Revenue from operations is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations (gross) & Income from operations (gross) represents the amounts receivable for goods and services sold including excise duty thereon, Export incentives and VAT/CST incentives in respect of Kutch Unit but excludes VAT/CST, trade discounts & other taxes, adjustments for late delivery charges and material returned / rejected.

Interest income is recognized on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "other income" in the statement of profit and loss.

## Notes to Consolidated Financial Statements for the Year ended 31st March, 2015

- ii) The Company accounts for pro forma credits, refunds of duty of customs or excise or refunds of sales tax in the year of admission of such claims by the concerned authorities. Benefits in respect of Export Licenses are recognised on application. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same.
- iii) Dividend is recognized when the Company's right to receive dividend is established by the balance sheet date.
- iv) Revenue from windmill is recognised on unit generation basis.

### **i. EXCISE DUTY**

Excise duty is accounted on the basis of both, payment made in respect of goods cleared / Services provided and provided on manufactured goods remaining in the inventory is included as a part of valuation of finished goods and scrap.

### **j. EMPLOYEE BENEFITS**

Retirement benefits in the form of provident fund and superannuation fund are defined contribution plans. The Company has no obligation, other than the contributions payable to provident fund and super-annuation fund. The Company recognises contribution payable to these funds as an expenditure, when an employee renders the related service.

In respect of gratuity liability, the Company operates defined benefit plan. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out using the projected unit credit method. Based on the determined valuation, the Company recognizes the amount in full to the statement of profit and loss account. Actuarial gain and loss is recognised in full in the period in which they occur in the statement of profit and loss.

The liability in respect of unused leave entitlement of the employees as at the reporting date is determined on the basis of an independent actuarial valuation carried out and the liability is recognized in the Statement of Profit and Loss. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Actuarial gain and loss is recognise in full in the period in which they occur in the statement of profit and loss.

### **ESOS :**

In respect of Employees Stock Options, the excess of fair price on the date of grant over the exercise price is recognised as deferred compensation cost amortised over the vesting period.

### **k. INCOME TAXES**

Tax expenses comprise current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## Notes to Consolidated Financial Statements for the Year ended 31st March, 2015

The Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

### **I. FOREIGN CURRENCY TRANSACTIONS:**

- i) Foreign currency transactions are accounted at exchange rates prevailing on the date the transactions take place or that approximates the actual rate on the date of the transaction. All exchange differences arising in respect of foreign currency transactions are dealt with in statement of profit & loss except in respect of long term liabilities incurred for acquiring fixed assets, in which case such differences are adjusted in the carrying amount of the respective fixed assets and depreciated over the remaining useful life of the assets.
- ii) All monetary foreign currency assets and liabilities, if any, as at the Balance Sheet date are restated at the applicable exchange rates prevailing on the reporting date of financial statements.

### **m. FOREIGN EXCHANGE CONTRACT ENTERED INTO TO HEDGE FOREIGN CURRENCY RISK OF AN EXISTING ASSETS/LIABILITIES**

In respect of forward contracts, the premium or discount is amortised over the period of forward contract and the proportionate premium / discount for the period up to the reporting date of Balance Sheet is recognized in the statement of profit and loss. The exchange difference measured by the exchange rate between the inception of the forward contract and reporting date of Balance Sheet is applied on foreign currency amount of the forward contract and exchange difference on such contracts, are recognized in the statement of Profit and Loss in the period in which the exchange rates changes. Any profit or loss arising on cancellation or renewal of such forward exchange contracts is also recognized as income or expense for the period.

### **n. FINANCE COSTS**

Finance costs includes interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowing.

Finance costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing cost are charged to statement of profit and loss.

## Notes to Consolidated Financial Statements for the Year ended 31st March, 2015

### **o. IMPAIRMENT OF ASSETS**

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

### **p. PROVISIONS**

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

### **q. CONTINGENT LIABILITY**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A contingent asset is neither recognized nor disclosed.

### **r. SEGMENT REPORTING**

The Company's operating businesses are organised and managed separately according to the nature of products provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segment is based on the geographical location of the customers.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

### **s. EARNING PER SHARE**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for issue of shares under Employee Stock Option Scheme-2006 that have changed the number of equity shares outstanding.

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

### **t. CASH AND CASH EQUIVALENT**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

### **u. OPERATING LEASE**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

# Notes to Consolidated Financial Statements

## for the Year ended 31st March, 2015

**Note Particulars**  
**No**

(₹ in Lacs)  
As at  
31-03-2015

### 3 SHARE CAPITAL

#### Authorised

7,50,00,000 Equity Shares of ₹ 2/- each 1,500.00

#### Issued, Subscribed and Paid-up

4,67,28,000 Equity Shares of ₹ 2/- each 934.56

934.56

### 3.1 Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period

(Figures are ₹ in lacs)

At the beginning of the year 933.67

Add:- Issued during the year under Employee Stock Option Scheme 0.89

Outstanding at the end of the year 934.56

(Figures of shares are in numbers)

At the beginning of the year 46,683,450

Add:- Shares issued on exercise of Employee Stock Options Scheme 44,550

Equity Shares at the end of the year 46,728,000

### 3.2 Terms / Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 2/- per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the Shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by Share holders.

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

Name of the Shareholder	No. of Shares	% held
Prakash M Sanghvi	5,369,610	11.49%
Nalanda India Fund Limited	3,906,664	8.36%
Jayanti M Sanghvi	3,776,435	8.08%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares.

### 3.4 Shares Reserved for issue under option

The Company reserved issuance of Nil Equity Shares of ₹ 2/- each for offering to eligible employees of the Company under Employees Stock Option Scheme 2006 at a price of ₹ 59.40 per option plus all applicable taxes, as may be levied in this regard on the Company. The options were granted on 31st October, 2006 and have vested completely. Out of the reserved Equity Shares, 17,28,000 Equity Shares have been issued till date. The maximum exercise period was 8 years from the date of grant of options. The balance options have expired during the year. (Also refer note no. 30)



## Notes to Consolidated Financial Statements for the Year ended 31st March, 2015

(₹ in Lacs)

**Note Particulars  
No**
**As at  
31-03-2015**

### 4 RESERVES AND SURPLUS

Capital Reserve as per last year		490.04
Securities Premium		
Balance as per last year	2,243.06	
Add:- On Issue of Shares	36.00	2,279.06
General Reserve		
Balance as per last year	52,503.01	
Add:- Transferred from Employee Stock Option (Refer note 4.1)	122.15	
Add:- Transferred from Statement of Profit and Loss	10,000.00	62,625.16
Foreign Currency Translation Reserve		2.60
Amalgamation reserve on amalgamation during 1997-98 of:		
- Ratnamani Engineering Ltd.	386.67	
- Ratnamani Fine Tubes Pvt Ltd.	5.44	392.11
Employee Stock Options (Refer note no.30)		
Balance as per last year	132.57	
Less:- Transferred to Securities Premium on exercise of options	10.42	
Less:- Transferred to General Reserve (Refer note 4.1)	122.15	-
Surplus in the Statement of Profit and Loss		
Balance as per last year	19,959.07	
Profit for the year	17,345.10	
Less:- Appropriations		
Proposed Dividend (Amount per Share ₹ 5.50)	2,570.04	
Tax on Proposed Dividend	523.20	
Transferred to General Reserve	10,000.00	
Total Appropriations	13,093.24	
Net Surplus in the Consolidated Statement of Profit and Loss		24,210.93
		<u>89,999.90</u>

- 4.1** As required by Guidance Note on Accounting for Employee Share-based payments with regard to accounting for employee share-based payments issued by ICAI, on lapse of Equity Stock Options (ESOPs) in respect of 5,22,000 equity shares after 28 October 2014, the Company has transferred ₹122.15 Lacs from "Employee Stock Options Account" representing the difference between the market price of the share on the date of grant of option and the exercise price of the lapsed options to "General Reserve Account".

### 5 LONG TERM BORROWINGS (SECURED)

	Non-Current	Current
External (Foreign) Commercial Borrowings from Banks	840.80	840.80
Less:- Amount disclosed under the head Current Liabilities (Refer note No. 9)	-	840.80
	<u>840.80</u>	<u>-</u>

## Notes to Consolidated Financial Statements for the Year ended 31st March, 2015

- External (Foreign) Commercial Borrowing of ₹ 1,681.60 Lacs from ICICI Bank Ltd. Hong Kong branch is carrying interest @ 6M Libor + 4.52% P.A. The loan is repayable in 12 half yearly installments of USD 6,66,666.67 each from 22.07.2011. The loan is secured by an exclusive charge over movable assets in respect of 3Layer PE Coating Line and Offline Welding & Finishing Lines for HSAW plant situated at Survey No. 474, Village Bhimasar, Tal. Anjar, Dist. Kutch.

Note Particulars No	(₹ in Lacs) As at 31-03-2015
<b>6 DEFERRED TAX LIABILITY</b>	
Fixed Assets: Impact of difference between tax depreciation and book depreciation	4,876.17
<b>DEFERRED TAX ASSETS</b>	
Impact of expenditure charged to the Statement of Profit and Loss but allowed for tax purpose on payment basis	(99.67)
	<u>4,776.50</u>
<b>7 SHORT TERM BORROWINGS</b>	
FROM BANKS - SECURED	
Working Capital Loans (Refer note 7.1)	
Cash Credit / Export Packing Credit facilities	58.19
Buyer's Credits in Foreign Currencies	2,144.04
	<u>2,202.23</u>
<b>7.1</b> Working Capital Loans are secured by-i) Hypothecation of Inventories, Books Debts, all other movables; ii) Second charge on Fixed Assets of the Company except, a) 8 wind mills along with related equipments / machineries situated at Moti Sindholi, Kutch, Gujarat and, b) movable assets in respect of 3Layer PE Coating Line and Offline Welding & Finishing Lines for HSAW plant situated at Survey No.474,village Bhimasar, Tal. Anjar, Dist. Kutch; iii) Personal guarantees of Sh. Prakash M. Sanghvi, Chairman and Managing Director, Sh. Jayanti.M. Sanghvi, Whole-time Director and Sh. Shanti.M. Sanghvi, Whole-time Director, of the Company; iv) Joint equitable mortgage of all immovable properties held as free-hold and leasehold lands of the Company, except:	
a) Leasehold land related to 8 wind mills situated at Moti Sindholi, Kutch.	
b) Lease hold land situated at 3306-09, GIDC Chhatral, Taluka Kalol and	
c) 3Layer PE Coating Line and Offline Welding & Finishing Lines for HSAW plant situated at Survey No.474, Village Bhimasar, Tal. Anjar, Dist. Kutch.	
<b>8 TRADE PAYABLES</b>	
Trade Payables	12,755.55
	<u>12,755.55</u>

There are no Micro, Small and Medium Enterprise, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosure have been made. The above information regarding Micro, Small and Medium Enterprise has been determined to the extent such parties have been identified on the basis of Information available with the company. This has been relied upon by the auditors.

# Notes to Consolidated Financial Statements for the Year ended 31st March, 2015

(₹ in Lacs)

## Note Particulars

As at

No

31-03-2015

### 9 OTHER CURRENT LIABILITIES

- Current maturity of Long Term Borrowings (Refer note no. 5)		840.80
- Interest Accrued but not due on Borrowings		24.94
- Unpaid Dividend*		69.19
- Other payable for capital expenditure		779.88
- Others		
- Interest free Advance from Customers	4,150.76	
- Security Deposits from Employees	1.63	
- Statutory dues payable	1,046.70	
- Others Misc. Liabilities	35.09	5,234.18
		<u>6,948.99</u>

\*Not due for credit to "Investor Education & Protection Fund"

### 10 SHORT TERM PROVISIONS

- Provision for Employee Benefits		
- Compensated Absences		179.64
- Gratuity (Refer note no. 29)		50.27
- Other Provisions		
- Provision for Dividend	2,570.04	
- Provision for Dividend Tax	523.20	
- Provision for Income Tax (NET of Advance Tax and Tax deducted at Source)	896.53	
- Provision for Wealth Tax	23.00	4,012.77
		<u>4,242.68</u>

### 11 FIXED ASSETS

(₹ in Lacs)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK
	As at 01-04-2014	Additions / Adjustments	Disposals	As at 31-03-2015	As at 01-04-2014	For the Year	Deductions / Adjustments	As at 31-03-2015	As at 31-03-2015
<b>TANGIBLE ASSETS :</b>									
Lease Hold Land	35.03	-	-	35.03	-	-	-	-	35.03
Freehold Land	196.92	-	-	196.92	-	-	-	-	196.92
Buildings	11,888.88	233.72	81.22	12,041.38	2,064.58	593.35	51.69	2,606.24	9,435.14
Plant & Machinery	59,709.70	3,162.88	233.62	62,638.96	27,283.77	4,273.55	194.33	31,362.99	31,275.97
Furniture & Fixtures	674.52	98.13	-	772.65	264.79	92.89	-	357.68	414.97
Office Equipments	841.42	89.98	0.44	930.96	472.97	253.95	0.08	726.84	204.12
Vehicles	1,099.20	243.68	80.84	1,262.04	416.98	148.66	50.19	515.45	746.59
<b>TOTAL (A)</b>	<b>74,445.67</b>	<b>3,828.39</b>	<b>396.12</b>	<b>77,877.94</b>	<b>30,503.09</b>	<b>5,362.40</b>	<b>296.29</b>	<b>35,569.20</b>	<b>42,308.74</b>
<b>INTANGIBLE ASSETS :</b>									
Software	496.57	-	-	496.57	256.75	73.32	-	330.07	166.50
<b>TOTAL (B)</b>	<b>496.57</b>	<b>-</b>	<b>-</b>	<b>496.57</b>	<b>256.75</b>	<b>73.32</b>	<b>-</b>	<b>330.07</b>	<b>166.50</b>
<b>TOTAL (A+B)</b>	<b>74,942.24</b>	<b>3,828.39</b>	<b>396.12</b>	<b>78,374.51</b>	<b>30,759.84</b>	<b>5,435.72</b>	<b>296.29</b>	<b>35,899.27</b>	<b>42,475.24</b>

#### Notes :

- Additions in plant and machinery includes foreign exchange loss of ₹ 80.00 Lacs on long term monetary items being capitalised with fixed assets in accordance with para 46A of Accounting Standard 11.
- Pursuant to the enactment of the Companies Act, 2013, the Company has applied the estimated useful lives as specified in the Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation / Amortization over the revised / remaining useful lives. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II. Hence, this change in depreciation rates did not have any material impact on consolidated financial statements of the Company. The written down value aggregating ₹. 292.36 Lacs of fixed assets whose lives have expired as at 01.04.2014 have been adjusted in the Statement of Profit and Loss.
- Buildings includes ₹ 47.80 Lacs (P.Y. ₹ 47.80 Lacs) representing cost of unquoted fully paid shares held in co-operative housing society.
- Freehold land includes land costing ₹ 38.74 Lacs being under dispute for title clearance in the name of the Company.

# Notes to Consolidated Financial Statements

## for the Year ended 31st March, 2015

### Note Particulars

As at  
31-03-2015

### No

<b>12</b>	<b>NON-CURRENT INVESTMENTS</b> <b>(VALUED AT COST UNLESS STATED OTHERWISE)</b> <b>NON-TRADE (UNQUOTED)</b>		
	- Investment in Silver		0.84
	- Investment in Govt. Securities (Unquoted)		
	National Savings Certificates		0.11
			0.95
	Aggregate amount of unquoted investments		0.95
<b>13</b>	<b>CURRENT INVESTMENTS</b> <b>(VALUED AT LOWER OF COST AND FAIR VALUE)</b> <b>INVESTMENT IN MUTUAL FUNDS (QUOTED)</b>		
	1,00,00,000 Units of ₹ 10 each in SBI-L383G SDFS-366 Days 48-Reg-Growth		1,000.00
	1,00,00,000 Units of ₹ 10 each in SBI-L390G SDFS-16 Months1-Reg-Growth		1,000.00
			2,000.00
	Aggregate amount of quoted investments (Market value : ₹ 2,235.48 Lacs)		2,000.00
	Aggregate amount of unquoted investments		-
<b>14</b>	<b>INVENTORIES</b> <b>(VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)</b>		
	- Raw Materials		
	- Raw Materials	17,059.55	
	- Raw Materials in Transit	116.74	17,176.29
	- Work-in-Process		13,750.45
	- Finished Goods		1,684.01
	- Stores and Spares		1,684.52
	- Scrap		13.60
			34,308.87
<b>15</b>	<b>TRADE RECEIVABLES (Refer note no.15.1)</b> (Unsecured, considered good unless stated otherwise) Outstanding for a period exceeding six months from the date they are due for payment		
	- Considered good		46.96
	- Considered Doubtful		141.16
			188.12
	-Less: Provision for Doubtful Debt		141.16
			46.96
	Other receivables		
	- Considered good		22,203.32
			22,250.28
<b>15.1</b>	The amount of trade receivable is net of bills discounted of ₹ 10,444.10 Lacs with bankers and therefore the same is not shown as liability.		
<b>16</b>	<b>CASH AND BANK BALANCES</b> <b>CASH AND CASH EQUIVALENT</b>		
	Balances with banks:		
	- In Current accounts	1,262.62	
	- Deposits with original maturity of less than three months	3,400.00	
	- Unpaid dividend accounts	69.19	
	Cash in Hand	17.62	4,749.43
	Other Bank Balances		
	- Deposits with original maturity of more than three months but less than twelve months		3,053.00
			7,802.43

## Notes to Consolidated Financial Statements for the Year ended 31st March, 2015

(₹ in Lacs)

### Note Particulars

No

As at

31-03-2015

#### 17 LOANS AND ADVANCES

##### (Unsecured - Considered good)

- Capital Advance
- Security Deposits
- Advances recoverable in cash or kind

Non-Current	Current
1,960.30	-
379.53	19.44
-	3,191.25
2,339.83	3,210.69

##### - Other Loans and Advances

- Advance Income Tax
- Prepaid Expenses
- Loans to Employees
- Balances with Excise Authorities

144.44	-
-	188.02
10.01	26.01
-	3,384.41
154.45	3,598.44
2,494.28	6,809.13

#### 17.1 Disclosures pursuant to Section 186 of the Companies Act, 2013 Loans & Advances Given

Name of the Party

Balance at  
year end

Maximum  
Amount  
Outstanding  
at any  
time during  
the year

Anjalee Exim Pvt. Ltd.	-	625.00
Anjalee Gems And Jewellers Pvt. Ltd.	-	300.00
Arcadia Shipping Ltd.	-	1,000.00
Bhansali Engineering Polymenrs Ltd.	-	800.00
Gorlas Techno Space Ltd.	-	1,000.00
Honest Enterprise Ltd.	-	500.00
Mehta Tubes Ltd.	-	350.00
Monarch Infrapark Pvt. Ltd.	-	1,000.00
Ratnaveer Stainless Products Pvt. Ltd.	-	200.00
Real Strips Ltd.	-	1,000.00
Satellite Developers Ltd.	-	500.00
Sikkim Ferro Alloys Ltd.	-	1,000.00
Stainless Metalex Pvt. Ltd.	-	500.00

The loan carries interest rate at 13.00 % are for meeting working capital requirements and are payable on demand.

#### 18 OTHER CURRENT ASSETS

- Interest accrued
- Export benefits receivable

147.58

232.65

380.23

# Notes to Consolidated Financial Statements

## for the Year ended 31st March, 2015

### Note Particulars No

(₹ in Lacs)  
Year ended on  
31-03-2015

#### 19 REVENUE FROM OPERATIONS

Sale of Products (Refer note no. 19.1)	
- Finished Goods	167,787.68
- Traded Goods	136.77
Sale of Power generated from Wind Mills	1,796.13
Sale of Services (Refer note no. 19.2)	579.69
	<u>170,300.27</u>
Other Operating Revenue	
- Scrap Sales	4,118.25
- Others	2,430.60
	<u>176,849.12</u>
Revenue from Operations (Gross)	
Less:- Excise Duty	9,168.53
Revenue from Operations (Net)	<u>167,680.59</u>

#### 19.1 Details of Products Sold

Finished goods sold	
- Stainless Steel Tubes and Pipes	78,859.83
- Carbon Steel Pipes	42,151.12
- Carbon Steel Coated Pipes	46,776.73
	<u>167,787.68</u>
Traded goods sold	
- Stainless Steel Coils and Plates	79.03
- Others	57.74
	<u>136.77</u>
Power generated from Wind Mills	1,796.13
	<u>1,796.13</u>

#### 19.2 Details of Sale of Service

- Jobwork charges - Stainless Steel Tubes and Pipes	40.62
- Jobwork charges - Carbon Steel bare and Coated Pipes	539.07
	<u>579.69</u>

#### 20 OTHER INCOME

- Interest Income on	
Bank Deposits	207.11
Inter-corporate Deposits	316.33
Others	507.95
	<u>1,031.39</u>
- Dividend Income on Current Investments	113.37
- Profit on Sales / Discard of Fixed Assets (net)	5.47
- Bad debts recovered	44.35
- Excess Provision written back	101.96
- Foreign Exchange Fluctuation (net)	1,214.84
- Miscellaneous Income	38.83
	<u>2,550.21</u>

#### 21 COST OF RAW MATERIALS CONSUMED

- Opening Inventory	13,769.24
- Add: Purchases	118,289.22
	<u>132,058.46</u>
- Less: Closing Inventory	17,176.29
Cost of Raw Materials consumed	<u>114,882.17</u>

# Notes to Consolidated Financial Statements for the Year ended 31st March, 2015

## Note Particulars No

(₹ in Lacs)  
Year ended on  
31-03-2015

### 21.1 Details of Raw Materials consumed

Stainless Steel plates, coils, billets, tubes and pipes	45,418.95
Carbon Steel plates, coils and coating materials	69,463.22
	<u>1,14,882.17</u>

### 21.2 Details of Closing Inventories

Stainless Steel plates, coils, billets, tubes and pipes	7,087.55
Carbon Steel plates, coils and coating materials	10,088.74
	<u>17,176.29</u>

### 22 (INCREASE) / DECREASE IN INVENTORY

Inventories at the end of the year

- Work In Process	13,750.45
- Finished Goods	1,684.01
- Scrap	13.60
	<u>15,448.06</u>

Inventories at the beginning of the year

- Work in Process	8,500.87
- Finished Goods	1,386.83
- Scrap	22.20
	<u>9,909.90</u>

(Increase) / Decrease In Inventory

- Work in Process	(5,249.58)
- Finished Goods	(297.18)
- Scrap	8.60
	<u>(5,538.16)</u>

### 22.1 Details of purchase of traded goods

- Stainless Steel Coils and Plates	77.48
- Others	29.71
	<u>107.19</u>

### 22.2 Details of Inventories at the end of the year

Work-In-progress

- Stainless Steel Tubes and Pipes	8,618.86
- Carbon Steel Pipes	5,131.59
	<u>13,750.45</u>

Finished Goods

- Stainless Steel Tubes and Pipes	6.10
- Carbon Steel Pipes	1,677.91
	<u>1,684.01</u>

Scrap

- Stainless Steel	-
- Carbon Steel	13.60
	<u>13.60</u>
	<u>15,448.06</u>

### 23 EMPLOYEE BENEFITS EXPENSE

Salaries, Wages and Bonus	7,864.79
Contribution to Provident and Other Funds	438.80
Gratuity expense (Refer note No. 29)	263.60
Staff Welfare Expenses	593.69
	<u>9,160.88</u>

# Notes to Consolidated Financial Statements

## for the Year ended 31st March, 2015

Note Particulars No	(₹ in Lacs) Year Ended on 31-03-2015
<b>24 FINANCE COSTS</b>	
Interest	542.04
Interest on Income Tax	55.98
Bank charges	338.98
	<u>937.00</u>
<b>25 OTHER EXPENSES</b>	
Consumption of Stores & Spares	4,319.78
Freight & Transport Charges	4,146.70
Power & Fuel	3,893.08
Labour & Processing Charges	1,659.89
Repairs and Maintenance (Refer note no. 25.1)	771.22
Quality Control	20.72
Legal & Consultancy Charges	150.02
Travelling & Conveyance Expenses	307.03
Insurance (Refer note no. 28)	229.38
Rent	111.27
Rates & Taxes	283.85
Auditors' Remuneration (Refer note no. 25.2)	29.70
Advertisement & Other Expenses	109.27
Foreign Exchange Fluctuation (net)	-
Sales Commission	1,647.10
Loss on Sale / Discard / Reduction in Value of Fixed Assets (net)	-
Loss of Assets due to theft	1.63
Increase / (Decrease) in excise duty on inventory	95.56
Loss on Sale of Current Investments (net)	-
Bad debts / sundry balances written off	-
Provision for Doubtful Debts	-
Charity and Donations	184.31
Directors' Sitting Fees	5.78
Miscellaneous Expenses	1,067.66
	<u>19,033.95</u>
<b>25.1 Repairs and Maintenance</b>	
- Plant and Machinery	546.68
- Buildings	200.99
- Others	23.55
	<u>771.22</u>
<b>25.2 Payments to joint Auditors</b>	
As Auditor:	
- Audit Fee	22.55
- Limited Review	5.40
	<u>27.95</u>
In other capacity:	
- Taxation matters	1.25
- Other Services	-
- Reimbursement of expenses	0.50
	<u>1.75</u>
	<u>29.70</u>
<b>25.3</b> Other expenses includes ₹157.46 Lacs, spent towards various activities relating to Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013.	



## Notes to Consolidated Financial Statements for the Year ended 31st March, 2015

**Note Particulars  
No**

(₹ in Lacs)  
Year ended on  
31-03-2015

### 26 CONTINGENT LIABILITIES

a)	Bills discounted and not matured	10,444.10
b)	ESI Liability (excluding interest leviable, if any)	270.00
c)	Consolidated Tax payable to GIDC, Chhatral (Note-1)	11.14
d)	Disputed Statutory Claims / levies for which the Company has preferred appeal in respect of (excluding interest leviable, if any) :	
	- Income tax	288.76
	- Excise Duty (Note-2)	3,315.13

Note-1 Consolidated tax payable to GIDC is demanded by GIDC, Ahmedabad modified under circular dated 9/7/2010 for levying and recovering "infrastructure upgradation fund" from the Company. The amount comprises of the per square meter charges towards infrastructure upgradation as well as interest and penalty thereupon. The Company has filed an appeal against the demand in High Court. The management does not expect these claims to succeed. Accordingly, no provision for the contingent liability has been recognized in the financial statements.

Note-2 Excise duty demand comprise various demands from the Excise Authorities for payment of ₹ 3,315.13 Lacs. The Company has filed appeals against these demands. The Company has been advised by its legal counsel that the demand is likely to be deleted and accordingly no provision for liability has been recognized in the financial statements.

### 27 CAPITAL COMMITMENT

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 1,303.47 Lacs.

28 The Company has incurred premium expenses of ₹ 100.99 Lacs on Key Man Insurance Policy and term plan policy of Chairman and Managing director and Whole-time directors, which is included in Insurance Expenses.

# Notes to Consolidated Financial Statements

## for the Year ended 31st March, 2015

(₹ in Lacs)

Note Particulars  
No

2014-15

### 29 EMPLOYEE BENEFITS

#### A) Defined contribution to Provident Fund

Employer's Contribution to Provident Fund	341.12
Employer's Contribution to Superannuation Fund	97.44

#### B) Defined Benefit Plans - Gratuity (Funded)

##### a) Liability recognised in the Balance Sheet

i) Present Value of obligation at the beginning of the Period	1,107.97
Current Service Cost paid	84.92
Interest Cost	103.15
Actuarial (Gain) / Loss	169.95
Benefit Paid	(56.03)
Present Value of obligation as at year end	1,409.96

##### Less:

ii) Fair Value of Plan Assets at the beginning of the Period	1,043.02
Expected return on Plan Assets	90.74
Actuarial Gain / (Loss)	3.68
Employers' Contribution	278.28
Benefit Paid	(56.03)
Fair Value of Plan Assets as at year end	1,359.69
Net liability recognised in the Balance Sheet	(50.27)

##### b) Expenses during the year

Service Cost	84.92
Interest Cost	103.15
Expected return on Plan assets	(90.74)
Actuarial (Gain) / Loss	166.27
Total	263.60

##### c) Actual Return on plan assets 94.42

##### d) Break up of Plan Assets as a percentage of total Plan Assets

(Percentage or Value)	
Insurer managed Funds	100%

##### e) The Company expects to contribute ₹ 158.79 lacs to gratuity in the next year.

##### f) Principal actuarial assumptions

Rate of Discounting	7.98%
Expected return on Plan Assets	7.98%
Rate of Increase in Salaries	8.00%
Attrition Rate	2.00%

The Employees' Gratuity Fund Scheme managed by a Trust (Life Insurance Corporation of India) is a defined benefit plan. In assessing the Company's post retirement liabilities, the Company monitors mortality assumption and uses up-to-date mortality table. The base being the Indian Assured Lives Mortality (2006-08) ultimate tables. The obligation for leave encashment is recognised in the same manner as gratuity.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## Notes to Consolidated Financial Statements for the Year ended 31st March, 2015

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

Amount for the current period is as follows:

Particulars	2014-15
Defined benefit obligation	1,409.96
Plan assets	1,359.69
Surplus / (deficit)	(50.27)
Experience adjustment on plan liabilities	48.50
Experience adjustment on plan assets	3.68

### 30 EMPLOYEE STOCK OPTION SCHEME (ESOS)

The Company provides share-based payment schemes to its employees. During the year ended 31st March, 2015, an Employee Stock Option Scheme (ESOS) was in existence. The relevant details of the scheme and the grant are as below:

During the financial year 2005-06, the board of directors of the Company approved the Equity Settled ESOS Scheme 2006 (Scheme 2006) for issue of stock options to the permanent employees and independent directors of the Company. Scheme 2006 was approved at the Extra Ordinary General Meeting by the Members of the Company held on 6th May, 2006. According to the Scheme 2006, the employees were selected by the compensation committee, subject to satisfaction of the prescribed vesting conditions. The contractual life (comprising the vesting period and the exercise period) of options granted was 8 years (Original exercise period was 5 years which was further extended for a period of 3 years in the Annual General Meeting of the Company held as on 18.08.2011). The Company has used 'Intrinsic value' method as defined in SEBI guidelines. The other relevant terms of the grant were as below:

Vesting period	3 Years
Exercise period	8 Years
Expected life	8 Years
Exercise price (per share)	59.40
Market price at the date of issue	82.80
No. of Options of face value of ₹2/- each, authorized by the plan *	2,250,000

\* The number of options were granted and vested completely and the Exercise price per option was adjusted on account of sub-division of equity share having face value of ₹10/- each into five equity shares of face value of ₹2/- each.

The details of activity under the Scheme 2006 are summarised below:

Particulars	2014-15	
	No. of options	WAEP (₹)
Outstanding at the beginning of the year	566,550	59.40
Granted during the year	-	-
Forfeited during the year	522,000	59.40
Exercised during the year	44,550	59.40
Outstanding at the end of the year	-	-
Exercisable at the end of the year	-	-

## Notes to Consolidated Financial Statements

### for the Year ended 31st March, 2015

The price of ₹ 59.40 per equity share was fixed for exercise of options by employees.

The weighted average remaining contractual life for the stock options outstanding is Nil.

The shares were exercised on 31-10-2014. The weighted average share price at the date of exercise is ₹448.85 per share.

Amount under employee stock options represents, the difference between the market price of the share on the date of grant of options and the exercise price of the options on outstanding options and was to be transferred to securities premium on exercise of the options.

#### 31 SEGMENT INFORMATION

The Company is engaged in the business of Steel Tubes and Pipes and generation of power by Windmills. In accordance with the requirements of Accounting Standard 17, 'Segment Reporting', the Company's business segments are considered primary reportable business segments.

Segments have been identified in line with Accounting Standard on Segment Reporting (AS-17) taking into account the nature of product and differential risk and returns.

Primary Reportable Segment (Business Segment)			(₹ in Lacs)
Particulars	Steel Tubes and Pipes	Windmill	Total
<b>Revenue</b>			
Revenue from Operations	175,052.99	1,796.13	176,849.12
Less:- Excise Duty	9,168.53	-	9,168.53
Net Sales	165,884.46	1,796.13	167,680.59
Inter Segment Sales	-	-	-
Total Sales	165,884.46	1,796.13	167,680.59
<b>Results</b>			
Segment Results before Interest and Finance Costs	25,133.05	810.66	25,943.71
Interest and Dividend Income			1,144.76
Foreign Exchange (Gain) / Loss on Buyers Credit (net)			(60.58)
Interest and Finance Costs			937.00
Net Profit Before Tax			26,212.05
<b>Other Information</b>			
Segment Assets	111,682.65	8,612.69	120,295.34
Unallocable Assets			2,296.09
Total Assets	111,682.65	8,612.69	122,591.43
Segment Liabilities	18,983.92	27.11	19,011.03
Unallocated Liabilities and Provisions			9,631.17
Total Liabilities	18,983.92	27.11	28,642.20
Segment Depreciation	4,786.55	649.17	5,435.72
Capital Expenditure:			
Tangible Fixed Assets	6,742.99	1,750.00	8,492.99
<b>Secondary Reportable Segment (Geographical by Customers)</b>			
Particulars	In India	Outside India	Total
Segment Revenue	131,616.73	36,063.86	167,680.59
Segment Assets	121,651.68	939.75	122,591.43

# Notes to Consolidated Financial Statements

## for the Year ended 31st March, 2015

### 32 RELATED PARTY DISCLOSURES

As required by Accounting Standard - AS 18 "Related Parties Disclosures" the disclosure of transactions with related parties are given below :

#### A. Relationships

##### (a) Key Management Personnel

- Mr. Prakash M. Sanghvi – Chairman and Managing Director
- Mr. Jayanti M. Sanghvi – Whole-time Director
- Mr. Shanti M. Sanghvi – Whole-time Director

##### (b) Relatives of key management personnel

- Mr. Manoj P. Sanghvi ( Son of Mr. Prakash M . Sanghvi )
- Mr. Prashant J. Sanghvi ( Son of Mr. Jayanti M . Sanghvi )
- Mr. Nilesh P. Sanghvi ( Son of Mr. Prakash M . Sanghvi )
- Mr. Jigar P. Sanghvi ( Son of Mr. Prakash M . Sanghvi )
- Mr. Yash S. Sanghvi ( Son of Mr. Shanti M . Sanghvi )

##### (c) Enterprises owned or significantly influenced by key management personnel or their relatives

- Ratnamani Food Products Private Ltd.
- Ratnamani Marketing Private Ltd.
- Ratnamani Healthcare Private Ltd.

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

Particulars	(₹ in Lacs)
	2014-15
<b>Rent Expense</b>	
- Ratnamani Food Products Private Ltd.	14.40
- Ratnamani Marketing Private Ltd.	16.56
<b>Reimbursement of Expense</b>	
- Ratnamani Healthcare Private Ltd.	1.66
<b>Remuneration</b>	
- Mr. Prakash M. Sanghvi	132.16
- Mr. Jayanti M. Sanghvi	89.41
- Mr. Shanti M. Sanghvi	73.20
- Mr. Manoj P. Sanghvi	43.53
- Mr. Prashant J. Sanghvi	34.53
- Mr. Nilesh P. Sanghvi	31.25
- Mr. Jigar P. Sanghvi	7.85
- Mr. Yash S. Sanghvi	2.67
<b>Commission</b>	
- Mr. Prakash M. Sanghvi	1,200.00
- Mr. Jayanti M. Sanghvi	720.00
- Mr. Shanti M. Sanghvi	480.00
<b>Receipt of Loans</b>	
- Ratnamani Food Products Private Ltd.	251.00
- Mr. Prakash M. Sanghvi	400.00
<b>Repayment of Loans</b>	
- Ratnamani Food Products Private Ltd.	251.00
- Mr. Prakash M. Sanghvi	400.00

# Notes to Consolidated Financial Statements

## for the Year ended 31st March, 2015

(₹ in Lacs)

### Particulars

2014-15

#### Outstanding as at year end

##### Trade Payable

- Mr. Prakash M. Sanghvi	1,207.92
- Mr. Jayanti M. Sanghvi	725.28
- Mr. Shanti M. Sanghvi	484.40
- Mr. Manoj P. Sanghvi	1.76
- Mr. Prashant J. Sanghvi	1.37
- Mr. Nilesh P. Sanghvi	1.20
- Mr. Jigar P. Sanghvi	0.61
- Mr. Yash S. Sanghvi	0.22

### 33 EARNINGS PER SHARE (EPS)

i) Profit as per Statement of Profit & Loss	(₹ in Lacs)	17,345.10
ii) Weighted average No. of shares for EPS computation		
a) For Basic EPS (Nos)	(Lacs)	467.00
b) For Diluted EPS (Nos)	(Lacs)	467.00
Earnings per Share (Basic)	(₹)	37.14
Earnings per Share (Diluted)	(₹)	37.14
Nominal Value of Shares	(₹)	2.00

### 34 DERIVATIVE INSTRUMENTS AT YEAR END

Sr. No.	Particulars	31-03-2015 Amount (₹ In Lacs)	31-03-2015 Foreign Currency (In Lacs)	Purpose
1	Forward Contracts (Sale)	1,273.30	USD 20.00	Hedge of highly probable foreign currency sale
2	Interest Rate Swaps (Hedge against External Commercial Borrowing of USD 8.0 Million.)	1,681.60	USD 26.67	Hedging of interest liability for moving from variable interest to fixed interest regime.

### 35 PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE AS AT YEAR END

Sr. No.	Particulars	Currency	31-03-2015 Amount (₹ In Lacs)	31-03-2015 Foreign Currency (In Lacs)
1	Import trade payable	EUR	995.62	14.55
		USD	1,423.89	22.58
2	Import trade receivable (advance payment made)	EUR	2.58	0.04
		USD	133.30	2.14
		GBP	0.71	0.01
3	Export trade receivable	EUR	20.85	0.31
		USD	768.77	12.36
4	Export trade payable (advance payment received)	USD	1,173.52	18.61
5	Short term foreign currency loans	USD	2,144.04	34.00
6	Balance in EEFC account	USD	875.46	14.07
7	Long term foreign currency loans	USD	1,681.60	26.67
8	Interest Accrued but not due on Borrowings	USD	24.94	0.40

## Notes to Consolidated Financial Statements for the Year ended 31st March, 2015

### Closing Rates as at 31st March, 2015:

INR/USD	= ₹ 63.06 (Payable)
INR/USD	= ₹ 62.22 (Receivable)
INR/EUR	= ₹ 68.42 (Payable)
INR/EUR	= ₹ 66.89 (Receivable)
INR/GBP	= ₹ 91.62 (Receivable)

### 36 ADDITIONAL INFORMATION OF NET ASSETS AND SHARE IN PROFIT OR LOSS CONTRIBUTED BY VARIOUS ENTITIES AS RECOGNISED UNDER SCHEDULE III OF THE COMPANIES ACT, 2013.

Name of the entity	Net Assets (i.e. total assets minus total liabilities)		Share in profit / (loss)	
	As % of consolidated net assets	Amount ₹ in Lacs	As% of consolidated profit / (loss)	Amount ₹ in Lacs
<b>Parent Company</b>				
Ratnamani Metals & Tubes Limited	99.89%	90,831.48	99.46%	17,250.80
<b>Subsidiary Company</b>				
Foreign				
Ratnamani INC. USA	0.11%	102.98	0.54%	94.30
<b>Total</b>	<b>100.00%</b>	<b>90,934.46</b>	<b>100.00%</b>	<b>17,345.10</b>

### 37 The wholly owned subsidiary, Ratnamani Inc., USA, is incorporated in current year and accordingly, this is the first year of the consolidated financial statements. Considering the transitional provisions of Accounting Standard 21, Consolidated Financial Statements, comparative figures of the consolidated financial statements for the previous year are not presented.

As per our report of even date

#### **For Mehta Lodha & Co.**

Chartered Accountants

Firm Registration No: 106250W

**per PRAKASH D. SHAH**

Partner

Membership No. 34363

#### **For S R B C & Co. LLP**

Chartered Accountants

Firm Registration No: 324982E

**per ARPIT K. PATEL**

Partner

Membership No. 34032

#### **For Ratnamani Metals & Tubes Limited**

**P. M. SANGHVI**

Chairman and  
Managing Director

**S. M. SANGHVI**

Whole Time Director

**DR. V. M. AGRAWAL**

Director

**NIDHI GADHECHA**

Director

**VIMAL KATTA**

Vice President (Finance)

**J. M. SANGHVI**

Whole Time Director

**D. C. ANJARIA**

Director

**P. M. MEHTA**

Director

**RAJEEV MUNDRA**

Company Secretary

Place : Ahmedabad

Date : May 7, 2015

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# Corporate Information

## BOARD OF DIRECTORS

Shri Prakash M. Sanghvi  
Shri Jayanti M. Sanghvi  
Shri Shanti M. Sanghvi  
Shri Divyabhash C. Anjaria  
Dr. Vinod M. Agrawal  
Shri Pravinchandra M. Mehta  
Smt. Nidhi G. Gadhecha

Chairman & Managing Director  
Whole-time Director  
Whole-time Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director

## KEY MANAGERIAL PERSONNEL

Shri Vimal Katta

Vice President (CFO)  
(W.e.f. 1st October, 2014)

Shri Jigar Shah

Company Secretary  
(W.e.f. 20th August, 2015)

## AUDIT COMMITTEE

Shri D. C. Anjaria  
Dr. V. M. Agrawal  
Shri J. M. Sanghvi

Chairman  
Member  
Member

## NOMINATION AND REMUNERATION COMMITTEE

Shri D. C. Anjaria  
Dr. V. M. Agrawal  
Shri P. M. Mehta

Chairman  
Member  
Member

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Shri D. C. Anjaria  
Dr. V. M. Agrawal  
Shri J. M. Sanghvi

Chairman  
Member  
Member

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri P. M. Sanghvi  
Shri J. M. Sanghvi  
Shri P. M. Mehta

Chairman  
Member  
Member

## BANKERS

State Bank of India  
IDBI Bank  
ICICI Bank

## AUDITORS

M/s. Mehta Lodha & Co.,  
Chartered Accountants  
M/s. S. R. B. C & Co. LLP,  
Chartered Accountants

## REGISTERED OFFICE

17, Rajmugat Society,  
Naranpura Char Rasta,  
Naranpura,  
Ahmedabad – 380 013  
Gujarat.  
Web : [www.ratnamani.com](http://www.ratnamani.com)  
CIN: L70109GJ1983PLC006460

## WORKS

### SS TUBES AND PIPES DIVISION

Survey No. 769,  
Ahmedabad – Mehsana Highway  
Village: Indrad, Nr. Chhatral GIDC,  
Taluka: Kadl, Dist: Mehsana  
Gujarat

### SAW PIPE DIVISION

Plot No. 3306-3309,  
GIDC, Chhatral,  
Taluka: Kalol, Dist: Gandhinagar,  
Gujarat

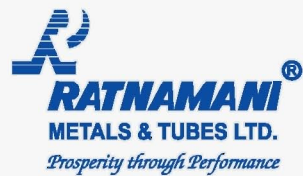
### KUTCH DIVISION

Survey No. 474,  
Village: Bhimasar, Taluka: Anjar  
Dist: Kutch, Gujarat

### SALES OFFICES

Panchsheel Plaza,  
B-Wing, 2nd Floor,  
55-Gam Devi Road,  
Near Dharam Palace,  
Mumbai 400 007

516, Ansal Chambers,  
II Bhikaji Cama Place,  
New Delhi – 110 066



**Registered Office**

17, Rajmugat Society, Naranpura Char Rasta, Naranpura, Ahmedabad - 380013 Gujarat

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