

**Independent Auditor's Report**

To the members of Ratnamani Finow Spooling Solutions Private Limited

**Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Ratnamani Finow Spooling Solutions Private Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Loss), the Statement of Changes in Equity and the Statement of Cash Flows the for the period beginning from September 27, 2023 to March 31, 2024 ("the period") then ended and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act"), in the manner so required, and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its loss, total comprehensive loss, changes in equity and its cash flows for the for the period ended on that date.

**Basis for Opinion**

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

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to the Board's Report,



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but does not include the financial statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditors' responsibilities relating to other Information'. We have nothing to report in this regard.

**Management's responsibility for the Financial Statements**

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

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

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



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

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

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

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

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To the members of Ratnamani Finow Spooling Solutions Private Limited

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

**Report on other legal and regulatory requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Loss), the Statement of Changes in Equity and the Statement of Cash Flows for the period then ended dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the financial statements comply with the Ind AS specified under section 133 of the Act and the Rules thereunder, as amended.
  - (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164(2) of the Act.

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To the members of Ratnamani Finow Spooling Solutions Private Limited

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to the financial statements and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B' to this report.
- (g) With respect to the other matters to be included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigation which would have impact on its financial statements.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) The Company was not required to transfer any amount to the Investor Education and Protection Fund during the period.
- (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the

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## Independent Auditor's Report

To the members of Ratnamani Finow Spooling Solutions Private Limited

representations under sub-clause (i) and (ii) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as provided in (a) and (b) above, contain any material misstatement.

- (v) The Company has not declared or paid dividend during the period, and hence, reporting under sub-clause (f) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, is not applicable.
- (vi) Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the period ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For **Kantilal Patel & Co.**

Chartered Accountants

Firm's Registration No.: 104744W

Jinal A. Patel

Partner

Membership No.: 153599

Place: Ahmedabad

Date: May 6, 2024



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**Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Ratnamani Finow Spooling Solutions Private Limited**

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date to the members of Ratnamani Finow Spooling Solutions Private Limited)

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

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and the relevant details of right-of-use assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment, so as to cover all the assets every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, Property, Plant and Equipment due for verification during the period were physically verified by the management during the period. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on our examination of the property tax receipts and lease agreement(s) for assets on lease, registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the period.
  - (e) No proceedings have been initiated during the period or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.
- (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any point of time during the period, from banks or financial institutions on the basis of security of current assets and hence, reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnerships or any other

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**Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Ratnamani Finow Spooling Solutions Private Limited**

parties covered in the register maintained under section 189 of the Act. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

- (iv) The Company has not granted any loans, made investments or provided guarantees or securities during the period. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the operations of the Company.
- (vii) In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, to the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
  - (c) Based on the records of the Company examined by us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, which have not been deposited on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the period in the tax assessments under the Income-tax Act, 1961 (43 of 1961).
- (ix)
  - (a) The Company is regular in repayment of loans or other borrowings or in payment of interest thereon to lenders.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.
  - (c) The Company has utilised the money obtained by way of term loans during the period for the purpose for which they were obtained.
  - (d) According to the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

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**Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Ratnamani Finow Spooling Solutions Private Limited**

- (e) The Company does not have subsidiaries, associates or joint ventures during the period. Hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company does not have subsidiaries, associates or joint ventures during the period. Hence, reporting under clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the period, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the period.
- (c) As represented to us by the management of the Company, there are no whistle blower complaints received by the Company during the period.
- (xii) In our opinion, the Company is not a Nidhi company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) The Company is not covered under Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, for constituting an Audit Committee, and hence, Section 177 of the Act is not applicable to the Company. In our opinion, the Company is in compliance with section 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) The Company does not have an internal audit system and is not covered under Rule 13(1) of the Companies (Accounts) Rules, 2014, and hence, reporting under clause 3(xiv)(a) of the Order is not applicable.
- (b) The Company does not have an internal audit system and is not covered under Rule 13(1) of the Companies (Accounts) Rules, 2014, and hence, reporting under clause 3(xiv)(b) of the Order is not applicable.
- (xv) In our opinion, during the period, the Company has not entered into non-cash transactions with directors or persons connected with its directors, and hence, provisions of section 192 of Act are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clauses 3(xvi)(a), (b), and (c) of the Order is not applicable to the Company.




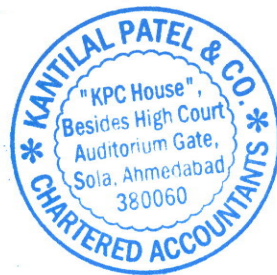
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**Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Ratnamani Finow Spooling Solutions Private Limited**

- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Hence, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash loss of INR 89.67 lakh for the period ended March 31, 2024.
- (xviii) There has been no resignation of the statutory auditors of the Company during the period.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the board of directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In our opinion, during the year, the Company is not covered under the criteria provided in sub-section (1) of Section 135 of the Act for applicability of provisions of corporate social responsibility (CSR), and hence, reporting under clause 3(xx)(a) of the Order is not applicable.
- (b) In our opinion, during the year, the Company is not covered under the criteria provided in sub-section (1) of Section 135 of the Act for applicability of provisions of corporate social responsibility (CSR), and hence, reporting under clause 3(xx)(b) of the Order is not applicable.

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

  
Jinal A. Patel  
Partner  
Membership No.: 153599  
Place: Ahmedabad  
Date: May 6, 2024



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**Annexure B to the Independent Auditor's Report of even date on the Financial Statements of Ratnamani Finow Spooling Solutions Private Limited**

Referred to in paragraph 2(f) under 'Report on other legal and regulatory requirements' section of our report of even date to the members of Ratnamani Finow Spooling Solutions Private Limited)

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

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

**Management's responsibility for internal financial controls**

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

**Auditor's responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the SAs prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of internal financial controls over financial reporting**

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

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**Annexure B to the Independent Auditor's Report of even date on the Financial Statements of Ratnamani Finow Spooling Solutions Private Limited**

financial reporting with reference to these financial statements includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent limitations of internal financial controls over financial reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to the financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Kantilal Patel & Co.**,

Chartered Accountants

Firm's Registration No.: 104744W

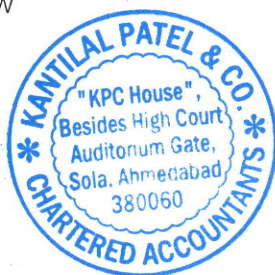
Jinal A. Patel

Partner

Membership No.: 153599

Place: Ahmedabad

Date: May 6, 2024


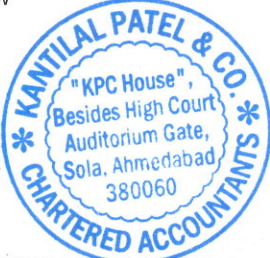





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# RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

Balance Sheet as at 31st March, 2024

(₹ in Lakhs)

Particulars	Notes	As at 31-03-2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3	1,037.53
Capital work-in-progress	3	176.03
Intangible assets	3	6.60
Financial assets	4	
Other financial assets		50.00
Deferred tax assets (net)	12	35.90
Other non-current assets	8	237.84
<b>Total non-current assets</b>		<b>1,543.90</b>
<b>Current assets</b>		
Inventories	5	422.48
Financial assets		
Investments	4	50.05
Trade receivables	6	15.99
Cash and cash equivalents	7 (a)	1.36
Other financial assets	4	0.84
Other current assets	8	201.47
<b>Total current assets</b>		<b>692.19</b>
<b>Total Assets</b>		<b>2,236.09</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	9	270.00
Other equity	10	(173.22)
<b>Total equity</b>		<b>96.78</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	11	850.00
Lease liabilities	14	390.42
Other non current liabilities	15	9.84
<b>Total non-current liabilities</b>		<b>1,250.26</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	11	20.74
Lease liabilities	14	217.04
Trade payables	13	
-Total outstanding dues of micro enterprises and small enterprises		-
-Total outstanding dues of creditors other than micro enterprises and small enterprises		472.51
Other financial liabilities	14	164.48
Other current liabilities	15	13.31
Provisions	16	0.97
<b>Total current liabilities</b>		<b>889.05</b>
<b>Total liabilities</b>		<b>2,139.31</b>
<b>Total Equity and Liabilities</b>		<b>2,236.09</b>
Summary of significant accounting policies	2.1	
The accompanying notes are an integral part of the financial statements		
As per our report of even date		
For KANTILAL PATEL & CO		
Chartered Accountants		
ICAI Firm Registration No: 104744W		
 <b>JINAL A. PATEL</b> Partner Membership No. 153599 Place : Ahmedabad Date: <b>May 6, 2024</b>		
		
For and on behalf of Board of Directors, <b>Ratnamani Finow Spooling Solutions Pvt. Ltd.</b>  <b>Mr. Prashant Jayantilal Sanghvi</b> Director DIN:00631700  <b>Mr. Jigar Prakash Sanghvi</b> Director DIN:08148608 Place : Ahmedabad Date: <b>May 6, 2024</b>		
		

**RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.**

Statement of Profit and Loss for the Period From 27th September 2023 to 31st March 2024

(₹ in Lakhs)

Particulars	Notes	For the Period 27-09-2023 to 31-03-2024
<b>Income</b>		
Revenue from operations	17	14.17
Other income	18	2.58
<b>Total income</b>		<b>16.75</b>
<b>Expenses</b>		
Cost of raw materials and components consumed	19	73.23
Changes in inventories of finished goods and work-in-progress	20	(328.24)
Employee benefits expenses	21	49.87
Finance costs	22	34.38
Depreciation and amortisation expenses	3	119.53
Other expenses	23	277.10
<b>Total expenses</b>		<b>225.87</b>
<b>Profit before exceptional items and tax</b>		<b>(209.12)</b>
Exceptional items		-
<b>Profit before tax</b>		<b>(209.12)</b>
<b>Tax expense</b>		
Current tax	12	-
Deferred tax	12	(35.90)
<b>Total tax expense</b>		<b>(35.90)</b>
<b>Net profit for the period</b>		<b>(173.22)</b>
<b>Other comprehensive income / (loss)</b>		
Items that will not be reclassified to profit and loss in subsequent periods		
Re-measurement gain on defined benefit plans	12	-
Income tax effect		-
<b>Total other comprehensive income for the period, net of tax</b>		<b>-</b>
<b>Total comprehensive income / (Loss) for the period, net of tax</b>		<b>(173.22)</b>
Earnings per equity share [nominal value per share Rs. 10/- Basic & Diluted	27	(6.42)
Summary of significant accounting policies	2.1	
The accompanying notes are an integral part of the financial		

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



**JINAL A. PATEL**  
Partner  
Membership No. 153599

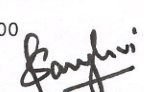
Place : Ahmedabad

Date: **May 6, 2024**



For and on behalf of Board of Directors,  
**Ratnamani Finow Spooling Solutions Pvt. Ltd.**

  
**Mr. Prashant Jayantilal Sanghvi**  
Director  
DIN:00631700

  
**Mr. Jigar Prakash Sanghvi**  
Director  
DIN:08148608

Place : Ahmedabad

Date: **May 6, 2024**



**RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.**

Statement of Cash Flow for the Period From 27th September 2023 to 31st March 2024

(₹ in Lakhs)

Particulars	Year ended 31-03-2024
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>	
Profit (Loss) before tax	(209.12)
Adjustments to reconcile profit before tax to net cash flows:	
Depreciation and amortisation expense	119.53
Interest income and fair value changes in financial instruments	(1.98)
Unrealised Foreign Exchange (Gain)	(0.04)
Interest expense (net)	34.22
Operating Profit before working capital changes	(57.39)
<b>Working capital adjustments:</b>	
(Increase) in trade receivables	(15.93)
(Increase) in inventories	(422.48)
(Increase) in other financial assets	(0.54)
(Increase) in other non-current financial assets	(234.84)
(Increase) in other non-financial assets	(201.13)
Increase in trade payables	472.49
Increase in other liabilities	12.64
Increase in other financial liabilities	164.49
Increase in provisions	0.97
<b>Cash (Used in) / generated from operations</b>	<b>(281.72)</b>
Direct taxes paid (net)	(0.34)
<b>Net Cash (Used in) / generated from operating activities</b>	<b>(282.06)</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase of property, plant and equipment and intangible assets (including CWIP and capital advances)	(618.12)
(Purchase) of current investments	(50.05)
Deposits With Banks (net)	(53.00)
Gain from Mutual funds	0.84
Interest Income	0.84
<b>Net Cash ( Used in ) investing activities</b>	<b>(719.49)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>	
Proceed from Equity Capital	270.00
Proceed from long term borrowings	850.00
Proceed/(Repayment) of short term borrowings (net)	20.74
Payment of principal portion of lease liabilities	(103.61)
Interest paid (Including Interest Payment on lease liabilities)	(34.22)
<b>Net Cash (used in) / generated from financing activities</b>	<b>1,002.91</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>1.36</b>
Cash and Cash Equivalents at the end of the year (refer note 7(a))	1.36

**Notes :**

- The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- Disclosure of change in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are given below:

Particulars	At the beginning of the current reporting period	Cash flows	Foreign exchange movement	Changes in Fair Value	As at 31-03-2024
Long term borrowings	-	850.00	-	-	850.00
Short term borrowings	-	20.74	-	-	20.74
Interest	-	(34.22)	-	-	(34.22)
Lease liabilities	-	(129.06)	-	736.52	607.46
<b>Total</b>	-	<b>707.46</b>	-	<b>736.52</b>	<b>1,443.98</b>

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

  
per JINAL A. PATEL  
Partner  
Membership No. 153599

Place : Ahmedabad  
Date : **May 6, 2024**



For and on behalf of  
Ratnamani Finow Spooling Solutions Pvt. Ltd.

  
Mr. Prashant Jayantilal Sanghvi  
Director  
DIN:00631700

  
Mr. Jigar Prakash Sanghvi  
Director  
DIN:08148608  
Place : Ahmedabad

Date : **May 6, 2024**



**RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.**  
**Statement of Change in Equity for the Period ended 31st March, 2024**

**A. Equity Share Capital**

Equity shares of ` 10 each issued, subscribed and fully paid	No. in Lakhs	` in Lakhs
Balance at the beginning of the current reporting period	-	-
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at the beginning of the current reporting period	-	-
Issue of Equity Share Capital	27.00	270.00
<b>As at 31st March, 2024</b>	<b>27.00</b>	<b>270.00</b>

**B. Other Equity**

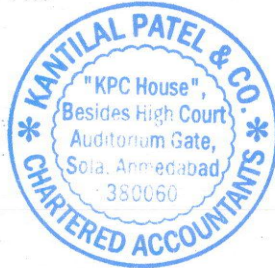
Particulars	Reserves & Surplus		Total Other Equity
	Retained Earnings		
Balance at the beginning of the current reporting period	-	-	-
Changes in accounting policy or prior period errors	-	-	-
(Loss) / Profit for the period	(173.22)		(173.22)
Other Comprehensive Income :			
Re-measurement gain on defined benefit plans (net of tax)	-	-	-
Total Comprehensive Income	(173.22)		(173.22)
<b>As at 31st March, 2024</b>	<b>(173.22)</b>		<b>(173.22)</b>

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

For and on behalf of  
**Ratnamani Finow Spooling Solutions Pvt. Ltd.**



per **JINAL A. PATEL**  
Partner  
Membership No. 153599



Place : Ahmedabad  
Date : **May 6, 2024**



**Mr. Prashant Jayantilal Sanghvi**  
Director  
DIN: 00631700



**Mr. Jigar Prakash Sanghvi**  
Director  
DIN: 08148608

Place : Ahmedabad  
Date : **May 6, 2024**



# RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

## Notes to Financial Statements for the Year Ended 31st March, 2024

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.1(j) Revenue from contracts with customers.

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets instruments at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL) (Equity Instruments)

### Financial assets at amortised cost (debt instruments)

A 'financial assets' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade, loans and other receivables.

### Financial Assets at FVTOCI

Financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value, recognised in other comprehensive income (OCI).

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the asset that give rise on specified dates to cash flows that represent solely payment of principal and interest.

### Financial Assets at FVTPL

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes investments in equity instruments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on such investments are recognised in the statement of profit and loss when the right of payment has been established.

Financial Assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit and Loss.

### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:



# RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

## Notes to Financial Statements for the Year Ended 31st March, 2024

The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions – see note 2.2
- Financial Assets at FVTPL – see note 2.1 (h)
- Trade receivables and contract assets – see note 6 and 2.1(j)

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default over the expected life of a financial instrument.

The Company considers a financial asset in default when contractual payments are overdue. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

The Balance Sheet presentation for various financial instruments is described below:

### Financial assets measured at amortised cost:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

### Financial liabilities & Equity Instruments

#### Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.



# RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

Notes to Financial Statements for the Year Ended 31st March, 2024

## Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

## Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and loans and borrowings.

## Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through Statement of Profit and Loss.

Financial liabilities at fair value through Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities designated upon initial recognition at fair value through statement of Profit and Loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gain/ loss are not subsequently transferred to Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

## Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

## Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

## Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the



# RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

## Notes to Financial Statements for the Year Ended 31st March, 2024

change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### Offsetting of financial instruments

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

### i. INVENTORIES:

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

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work in progress include cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to make the sale.

### j. REVENUE:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognised.

#### i) Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 0 to 180 days upon delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of GST, trade discounts & other taxes, adjustments for late delivery charges and material returned/rejected.

#### Variable Consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right of liquidated damages. The liquidated damages give rise to variable consideration.

The Company applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less



# RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

## Notes to Financial Statements for the Year Ended 31st March, 2024

- ii) The Company accounts for pro forma credits, refunds of duty of customs or refunds of tax in the year of admission of such claims by the concerned authorities. Benefits in respect of Export Licenses are recognised on application. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same.
- iii) Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.
- iv) Interest Income is 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.

### Contract balances

#### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

#### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (i) Financial instruments – initial recognition and subsequent measurement.

### k. TAXES:

Tax expense comprises of current income tax and deferred tax.

#### Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred Tax:

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

Deferred tax liabilities are recognised for all taxable temporary differences

Deferred tax assets are recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against the deductible temporary differences.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

### l. PROVISIONS:

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



# RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

## Notes to Financial Statements for the Year Ended 31st March, 2024

of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

### m. EARNINGS PER SHARE:

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

### n. CASH AND CASH EQUIVALENT:

Cash and cash equivalents in the Balance Sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of charges in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## 2.2 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### Judgements

In the process of applying the Company's accounting policies, management has made the following judgement, which have the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal and termination options – Company as lessee.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has lease contract that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

### Revenue from contracts with customers

The Company applied the following judgement that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining method to estimate variable consideration and assessing the constraint.

Certain contracts with customers include Liquidated Damages that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which customer will be entitled. The Company determined that the expected value method is the appropriate method to use in estimating the variable consideration for revenue from contract with customer. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract with the customer. Before adjusting any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions.



# RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

## Notes to Financial Statements for the Year Ended 31st March, 2024

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### Useful Life of Property Plant & Equipment and Intangible assets

Property, Plant and Equipment and Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

### Fair value measurement for financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 28 and 29 for further disclosures.

### 2.3 RECENT ACCOUNTING PRONOUNCEMENTS ISSUED BUT NOT YET EFFECTIVE:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



**RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.**

Notes to Financial Statements for the period ended 31st March, 2024

Note No.-3 Property, Plant and Equipment, Intangible Assets and Capital work-in-progress

(a) Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Right of Use	Buildings	Plant & machinery	Furniture & fixture	Office equipment	Total
	Factory Building					
<b>Cost</b>						
At the beginning of the current reporting period	-	-	-	-	-	-
Additions	711.06	19.80	414.65	1.27	10.25	1,157.03
Disposals	-	-	-	-	-	-
<b>As at 31st March, 2024</b>	<b>711.06</b>	<b>19.80</b>	<b>414.65</b>	<b>1.27</b>	<b>10.25</b>	<b>1,157.03</b>
<b>Depreciation and Impairment</b>						
At the beginning of the current reporting period	-	-	-	-	-	-
Depreciation/Amortization for the year	118.51	0.21	0.55	0.01	0.22	119.50
Disposals	-	-	-	-	-	-
<b>As at 31st March, 2024</b>	<b>118.51</b>	<b>0.21</b>	<b>0.55</b>	<b>0.01</b>	<b>0.22</b>	<b>119.50</b>
<b>Net Block</b>						
<b>As at 31st March, 2024</b>	<b>592.55</b>	<b>19.59</b>	<b>414.10</b>	<b>1.26</b>	<b>10.03</b>	<b>1,037.53</b>
At the beginning of the current reporting period	-	-	-	-	-	-

(b) Intangible Assets

(₹ in Lakhs)

Particulars	Software
<b>Cost</b>	
At the beginning of the current reporting period	-
Additions	6.63
Disposals	-
<b>As at 31st March, 2024</b>	<b>6.63</b>
<b>At the beginning of the current reporting period</b>	
Amortisation for the year	0.03
Disposals	-
<b>As at 31st March, 2024</b>	<b>0.03</b>
<b>Net Block</b>	
<b>As at 31st March, 2024</b>	<b>6.60</b>
At the beginning of the current reporting period	-

(c) Capital work-in-progress

(₹ in Lakhs)

Particulars	Amount
As at 31st March, 2024	176.03

Capital work in progress (CWIP) Ageing Schedule

As at 31 March 2024

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 year	
Projects in progress	176.03	-	-	-	176.03
<b>Total</b>	<b>176.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>176.03</b>



RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

Notes to Financial Statements for the period ended 31st March, 2024			(₹ in Lakhs)	
Note No.	Particulars	As at 31-03-2024		
		Non-Current	Current	
4	<b>Financial Assets</b>			
	<b>Investments</b>			
	Investments in Mutual Funds (Quoted) (at fair value through profit and 3951.355 units of Axis Overnight Fund - Direct Growth	-	50.05	
		-	50.05	
	Aggregate value of Unquoted Investments	-	-	
	Aggregate book value of Quoted Mutual Funds	-	50.05	
		-	50.05	
	Aggregate market value of Quoted Mutual Funds	-	50.05	
	<b>Other Financial Assets</b>			
	Interest accrued	-	0.30	
	Security deposits	-	0.54	
	Margin money with banks	50.00	-	
		50.00	0.84	
	Deposits aggregating to ₹ 50.00 Lakhs are pledged / lien against bank overdraft facility.			

Note No.	Particulars	(₹ in Lakhs)	
		As at 31-03-2024	
5	<b>Inventories (at lower of cost or net realisable value)</b>		
	Raw materials		
	Raw materials and components		88.91
	Work-in-progress		22.92
	Finished goods		
	Finished goods		305.32
	Stores and spares		5.33
			422.48

Note No.	Particulars	(₹ in Lakhs)	
		As at 31-03-2024	
6	<b>Trade Receivables</b>		
	Secured, considered good		
	Unsecured, considered good		15.99
	Trade Receivables which have significant increase in credit Risk		-
	Trade Receivables – credit impaired		-
	<b>Total</b>		15.99
	Secured, considered good		-
	Unsecured, considered good		15.99
	Trade Receivables which have significant increase in credit Risk		-
	Less : Expected credit loss allowances		-
	<b>Total Trade Receivables</b>		15.99

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other							
Trade receivables Ageing Schedule							
As at 31 March 2024							
Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	15.99	-	-	-	-	-	15.99
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Total (a)</b>	15.99	-	-	-	-	-	15.99
Less:-							
Trade Receivables - credit impaired (b)							-
<b>Total (a)-(b)</b>							15.99



**RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.**

Notes to Financial Statements for the period ended 31st March, 2024		(₹ in Lakhs)
Note No.	Particulars	As at 31-03-2024
7	<b>Cash and Bank balances</b>	
(a)	Cash and Cash Equivalents	
	Balances with Banks :	
	In Current accounts	0.84
	Cash on hand	0.52
		<b>1.36</b>

Note No.	Particulars	(₹ in Lakhs)	
		As at 31-03-2024	
		Non-Current	Current
8	<b>Other Assets</b>		
	Capital advances	234.84	-
	Prepaid expense	-	2.81
	Deposits with original maturity of more than twelve months	3.00	-
	Advance receivable in cash or kind		
	Balances with Government Authorities	-	198.26
	Export benefits receivable	-	0.06
		-	<b>198.32</b>
		<b>237.84</b>	<b>201.13</b>
	Current tax assets (net)	-	0.34
		<b>237.84</b>	<b>201.47</b>

Note No.	Share Capital						
9	<b>Particulars</b>	As at 31-03-2024					
		No. in Lakhs	₹ in Lakhs				
	<b>Authorised Share Capital</b>						
	Increase during the year	36.00	360.00				
		<b>36.00</b>	<b>360.00</b>				
	<b>Terms/Rights attached to Equity Shares</b>						
	The Company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share.						
	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.						
	<b>Particulars</b>	As at 31-03-2024					
		No. in Lakhs	₹ in Lakhs				
	<b>Issued Share Capital</b>						
	Equity shares of Rs 10 each issued, subscribed and fully paid	27.00	270.00				
		<b>27.00</b>	<b>270.00</b>				
	<b>Details of Shareholders holding more than 5% Equity Shares in the Company</b>						
	<b>Name of the Shareholder</b>	As at 31-03-2024					
		No. in Lakhs	% held				
	Ratnamani Metals and Tubes Limited	13.77	51.00%				
	Technoenergy AG	13.23	49.00%				
	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.						
	<b>Details of shares held by promoters</b>						
	As at 31-03-2024						
	<b>Particulars</b>	<b>Promoter Name</b>	<b>No. of shares at the beginning of the year</b>	<b>Change during the year</b>	<b>No. of shares at the end of the year</b>	<b>% of Total Shares</b>	<b>% change during the year</b>
	Equity shares of INR 10/- each fully paid	Ratnamani Metals and Tubes Limited	-	13.77	13.77	51.00%	100%
		Technoenergy AG	-	13.23	13.23	49.00%	100%
			-	<b>27.00</b>	<b>27.00</b>	<b>100.00%</b>	



RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

Notes to Financial Statements for the period ended 31st March, 2024

Note No.	Particulars	(₹ in Lakhs)	
		As at 31-03-2024	
10	<b>Other Equity</b>		
	<b>Retained Earnings</b>		
	Opening balance		-
	(Loss) / Profit for the period		(173.22)
	Other Comprehensive Income		-
	Re-measurement gain on defined benefit plans (net of tax)		-
			(173.22)

Note No.	Particulars	(₹ in Lakhs)	
		As at 31-03-2024	
		Non-Current	Current
11	<b>Borrowings</b>		
	<b>Short term Borrowings</b>		
	Bank Overdrafts (Secured)	-	20.74
	Loans from related party(refer Note No. (a) below)	850.00	-
	<b>Total Borrowings</b>	<b>850.00</b>	<b>20.74</b>
		<b>850.00</b>	<b>20.74</b>
a)	Long term Borrowings from related party ( Holding Company ) is for the purpose of procurement of Capital Equipment and meeting working capital requirements, it carries interest at Base rate plus margin work out to 9.50% p.a.. The loan is repayable in three annual instalments of 20%, 30% and 50% from the end of third year.		
b)	The bank overdrafts are secured by a portion of the Company's fixed deposits which carry interest @ 7.60 p.a.. The borrowings are payable on demand.		
c)	The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.		
d)	The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.		
e)	Term loans were applied for the purpose for which the loans were obtained.		



RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

Notes to Financial Statements for the period ended 31st March, 2024

(₹ in Lakhs)

Note No.	Particulars	As at 31-03-2024
12	<b>Income Tax</b>	
	The major component of income tax expense for the period ended 31st March, 2024 are :	
	<b>Statement of Profit and Loss</b>	
	Current tax	
	Current income tax	-
	Excess provision for current tax of earlier years	-
	<b>Deferred tax</b>	
	Deferred tax expense / (income)	(35.90)
	Income tax expense / (income) reported in the Statement of Profit and Loss	(35.90)

a) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the period ended 31<sup>st</sup> March, 2024:

Particulars	Year Ended 31-03-2024
Accounting Profit / (Loss) before tax	(209.12)
Enacted income tax rate in India applicable to the Company	17.160%
Tax using the Company's domestic tax rate	(35.88)
Tax effects of :	
Others	(0.02)
At the effective income tax rate of 31 <sup>st</sup> March, 2024: 17.167%	(35.90)

Movement in deferred tax liabilities / (asset) (net) for the period ended 31st March, 2024

Particulars	At the beginning of the current reporting period	Recognised in profit and loss	Recognised in other comprehensive income
<b>Tax effect of items constituting deferred tax liabilities :</b>			
Accelerated depreciation for tax purposes	-	109.15	-
Accrued Income taxable on realisation		0.01	
	-	109.16	-
<b>Tax effect of items constituting deferred tax assets :</b>			
Unabsorbed losses allowable in future years		(38.27)	
Expenses allowed in year of payment			
Expenses allowed on deferred basis		(0.87)	
Finance Lease obligation (ROU)		(104.24)	
Government grant under EPCG		(1.69)	
	-	(145.06)	-
<b>Net deferred tax liabilities (asset)</b>	-	(35.90)	-

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.



**RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.**

**Notes to Financial Statements for the period ended 31st March, 2024**

							(₹ in Lakhs)
Note No.	Particulars						As at 31-03-2024
13	<b>Trade Payables</b> Total outstanding dues of micro enterprises and small enterprises Total outstanding dues of creditors other than micro enterprises and small enterprises						- 472.51
	Above includes: Payable to related parties (refer note 26)						472.51 404.75
	The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development (MSMED) as at 31st March 2024. The disclosure pursuant to the said Act is as under:						
	Particulars						As at 31-03-2024
i)	Amounts remaining unpaid as at year end towards -Principal (includes payables in respect of capital goods) -Interest						-
ii)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.						-
iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.						-
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.						-
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.						-
	This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.						
	<b>Trade payables Ageing Schedule</b> As at 31 March 2024						
							(₹ in Lakhs)
		<b>Outstanding for following periods from due date of payment</b>					
	<b>Particulars</b>	<b>Not Due</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
	Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	472.51	-	-	-	-	472.51
	Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
	Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-



RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

Notes to Financial Statements for the period ended 31st March, 2024

Note No.	Particulars	(₹ in Lakhs)	
		As at 31-03-2024	
		Non-Current	Current
14	<b>Other Financial Liabilities</b>		
	Other financial liabilities at amortised cost		
	Payables in respect of capital goods	-	164.48
	Lease liabilities	390.42	217.04
		<b>390.42</b>	<b>381.52</b>
	Fair value disclosures for financial liabilities (refer note 28)		

Note No.	Particulars	(₹ in Lakhs)	
		As at 31-03-2024	
		Non-Current	Current
15	<b>Other Liabilities</b>		
	Statutory dues payable	-	12.64
	Deferred Government Grant	9.84	0.67
		<b>9.84</b>	<b>13.31</b>

Note No.	Particulars	(₹ in Lakhs)	
		As at 31-03-2024	
16	<b>Current Provisions</b>		
	Provision for employee benefits		
	Gratuity		0.97
			<b>0.97</b>



**RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.**

**Notes to Financial Statements for the period ended 31st March, 2024**

(₹ in Lakhs)

Note No.	Particulars	For the Period 27-09-2023 to 31-03-2024
17	Revenue from contracts with customers	
17.1	Disaggregated revenue information Set out below is the disaggregation of the Company's revenue from contracts with customers: Type of goods or service	
	Pipe Spools and Auxiliary Support Systems	14.12
	Revenue from contracts with customers	14.12
	Other operating revenue	0.05
	<b>Total revenue from operations</b>	<b>14.17</b>
	Pipe Spools and Auxiliary Support Systems	
	In India	10.07
	Outside India	4.05
		14.12
	<b>Total Revenue from contracts with customers</b>	<b>14.12</b>
	Timing of revenue recognition	
	Goods and services transferred at a point in time	14.12
	<b>Total Revenue from contracts with customers</b>	<b>14.12</b>
17.2	Contract Balances	
		(₹ in Lakhs)
	Particulars	As at 31-03-2024
	Trade receivables	15.99
	Contract liabilities (Advance from customers)	-
17.3	Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price	
		(₹ in Lakhs)
	Particulars	As at 31-03-2024
	Revenue as per contracted price (net of taxes)	14.12
	Adjustments :-	
	Provision/(Reversal) for late deliveries, sales return etc.	-
	Revenue from contract with customers	14.12
17.4	Performance obligation	
	Information about the Company's performance obligations are summarised below: Pipe Spools and Auxiliary Support Systems The performance obligation is satisfied upon delivery of the goods and control thereof is assumed by the customers and payment gets due as contractually agreed, generally ranging within 0 to 180 days from delivery, backed up by financials arrangements in certain cases.	
		(₹ in Lakhs)
	Particulars	As at 31-03-2024
	Within one year	12,883.82
	More than one year	2,664.41
		15,548.23



**RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.**

**Notes to Financial Statements for the period ended 31st March, 2024**

		(₹ in Lakhs)
Note No.	Particulars	For the Period 27-09-2023 to 31-03-2024
18	<b>Other Income</b> Interest income on Bank deposits Others  <b>Other non-operating income</b> Fair value gain on financial instruments at fair value through profit and loss Foreign exchange fluctuation (net) Deferred government grant	1.14 -  0.84 0.59 0.01  2.58

		(₹ in Lakhs)
Note No.	Particulars	For the Period 27-09-2023 to 31-03-2024
19	<b>Cost of raw materials and components consumed</b> - Inventories at the beginning of the reporting period - Add: Purchases  - Less: Closing inventory  <b>Cost of raw materials and components consumed</b>	- 162.14 162.14 88.91  73.23

		(₹ in Lakhs)
Note No.	Particulars	For the Period 27-09-2023 to 31-03-2024
20	<b>Changes in inventories of finished goods and work-in-progress</b> <b>Inventories at the end of the year</b> - Work in process - Finished goods  <b>Inventories at the beginning of the reporting period</b> - Work in process - Finished goods  <b>(Increase)/Decrease In Inventory</b> - Work in process - Finished goods	22.92 305.32  328.24  - -  (22.92) (305.32)  (328.24)



**RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.**

**Notes to Financial Statements for the period ended 31st March, 2024**

		(₹ in Lakhs)
Note No.	Particulars	For the Period 27-09-2023 to 31-03-2024
21	<b>Employee Benefits Expenses</b>	
	Salaries, wages and bonus	44.14
	Contribution to provident fund and other fund - refer Note No. 21.1	2.10
	Gratuity Expenses	0.97
	Staff welfare expenses	2.66
		<b>49.87</b>
21.1	<b>Defined contribution plans:</b> Following amount are recognised as expenses in "Employee benefits expense"	(₹ in Lakhs)
	<b>Particulars</b>	<b>For the Period 27-09-2023 to 31-03-2024</b>
	Provident fund	1.29
	Contributory pension scheme	0.81
		<b>2.10</b>

		(₹ in Lakhs)
Note No.	Particulars	For the Period 27-09-2023 to 31-03-2024
22	<b>Finance Costs</b>	
	Interest on debts and borrowings	8.76
	Interest on lease liabilities	25.46
	Bank charges	0.16
		<b>34.38</b>

		(₹ in Lakhs)
Note No.	Particulars	For the Period 27-09-2023 to 31-03-2024
23	<b>Other Expenses</b>	
	Consumption of stores & spares	1.80
	Freight & transport charges	1.64
	Power & fuel	2.16
	Labour & processing charges	229.68
	Testing and inspection charges	0.04
	Legal & consultancy charges	15.59
	Traveling & conveyance expenses	7.22
	Insurance	0.01
	Expense relating to short-term leases	0.75
	Rates & taxes	0.81
	Statutory auditor remuneration	3.00
	Miscellaneous expenses	14.40
		<b>277.10</b>
a)	<b>Payments to Statutory Auditors</b>	
	<b>As Auditor:</b>	
	- Audit Fee	3.00
	- Limited Review	-
		<b>3.00</b>
	<b>In other capacity:</b>	
	- Taxation matters	-
	- Certification	-
	- Reimbursement of expenses	-
		<b>3.00</b>



## RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

### Notes to Financial Statements for the Year Ended 31st March, 2024

#### 24 COMMITMENTS AND CONTINGENCIES

##### a) Leases :-

Operating lease commitments — Company as lessee

The Company has entered into lease contracts for Factory Building, with lease terms of Three years. Generally, the Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Company also has certain leases of office premises, land and other properties with lease terms of 12 months or less with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year.

Description	(₹ in Lakhs)	
	Leasehold Factory Building	Total
At the beginning of the current reporting period	-	-
Additions during the year	711.06	711.06
Depreciation and Amortisation Expenses	118.51	118.51
As at 31st March, 2024	592.55	592.55

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Description	(₹ in Lakhs)	
	2023-24	
At the beginning of the current reporting period	-	
Additions	711.06	
Finance Costs incurred during the year	25.46	
Payments of lease liabilities	(129.06)	
As at 31st March	607.46	
Current	217.04	
Non-current	390.42	

The effective interest rate for lease liabilities is 9.30%, with maturity in Financial Year 2026.

The following are the amounts recognised in profit or loss:

Description	(₹ in Lakhs)	
	Year ended 31-03-2024	
Depreciation and Amortisation Expenses	118.51	
Interest expense on lease liabilities	25.46	
Expense relating to short-term leases	-	
Total amount recognised in statement of profit or loss	143.97	

The Company had total cash outflows for leases of ₹ 129.06 Lakhs.

##### b) Contingent Liabilities :-

Sr. No.	Particulars	(₹ in Lakhs)	
		As at 31-03-2024	
a)	Differential amount of custom duty in respect of machinery purchased under EPCG scheme (note-i)	10.52	
Note-(i)	The company has imported capital goods under the EPCG scheme to utilize the benefit of zero or concessional custom duty rate. Also, the company has imported raw materials under the advance licence scheme. These benefits are subject to future exports within stipulated time.		

##### c) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 2473.02 Lakhs.



## RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

### Notes to Financial Statements for the Year Ended 31st March, 2024

#### 25 Segment Information

As the Company is operating in one segment, segment reporting is not applicable as per Ind As 108- Operating Segment.

#### 26 Related Party disclosures

As required by Indian Accounting Standard - 24 "Related Parties Disclosures" the disclosure of transactions with related parties

- A Relationships**
- (a) **Holding Company**  
- Ratnamani Metals and Tubes Limited
- (b) **Entity With Significant Influence Over The Entity**  
- Technogenergy AG
- (c) **Enterprises owned or significantly influenced by key management personnel or their relatives**  
- Ratnamani Metals and Tubes Limited  
- Ratnaflex Engineering Pvt Ltd.  
- Ratna Fine Tubes LLP
- (d) **Key Management Personal**  
- Mr.Prashant Jayantilal Sanghvi - Director  
- Mr.Jigar Prakash Sanghvi - Director  
- Mr.Prakashchandra Bhat - Director  
- Mr.Adrian Stephan Schmid - Director (upto December 13, 2023)  
- Mr.Dmytro Balakin - Additional Director (w.e.f. December 13, 2023)  
- Mr. Tymur Salukha - Director

**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 Lakhs)	
	Year ended 31-03-2024	
<b>Subscription of shares</b>		
- Ratnamani Metals and Tubes Limited		137.70
- Technogenergy AG		132.30
<b>Loan Taken</b>		
- Ratnamani Metals and Tubes Limited		850.00
<b>Rent Expense</b>		
- Ratnamani Metals and Tubes Limited		129.06
<b>Job work charges</b>		
- Ratnamani Metals and Tubes Limited		207.31
<b>Interest Expense</b>		
- Ratnamani Metals and Tubes Limited		8.59
<b>Other Expense</b>		
- Ratnamani Metals and Tubes Limited		2.64
<b>Purchases of goods</b>		
- Ratnamani Metals and Tubes Limited		129.70
- Ratnaflex Engineering Pvt Ltd.		0.46
- Ratna Fine Tubes LLP		0.29
<b>Outstanding as at year end</b>		<b>As at 31-03-2024</b>
<b>Payable</b>		
- Ratnamani Metals and Tubes Limited		404.40
- Ratna Fine Tubes LLP		0.35
- Ratnamani Metals and Tubes Limited (Loan)		850.00

**Terms and conditions of transactions with related parties**

Outstanding balances at the year-end are unsecured and Except Loan are interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31<sup>st</sup> March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.



**RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.**

**Notes to Financial Statements for the Year Ended 31st March, 2024**

**27 Earnings Per Share (EPS):**

Particulars		As at 31-03-2024
Profit / (Loss) for the year	(₹ in Lakhs)	(173.22)
Weighted average no. of shares for EPS computation for basic and diluted EPS	(Nos. in Lakhs)	27.00
Earnings per share (basic and diluted)	(₹)	(6.42)
Nominal value of shares	(₹)	10.00

**28 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management**

**28.1 Category-wise Classification of Financial Instruments:**

(₹ in Lakhs)

Particulars	Refer Note	As at 31-03-2024			
		Fair Value through OCI	Fair Value through profit or loss	Amortised cost	Carrying Value
<b>Financial assets</b>					
Investments in quoted mutual funds	4	-	50.05	-	50.05
Trade receivables	6	-	-	15.99	15.99
Cash and cash equivalents	7	-	-	1.36	1.36
Other financial assets	4	-	-	50.84	50.84
<b>Total</b>		-	<b>50.05</b>	<b>68.19</b>	<b>118.24</b>
<b>Financial liabilities</b>					
Borrowings	11	-	-	870.74	870.74
Trade payables	13	-	-	472.51	472.51
Lease liabilities	24	-	-	607.46	607.46
Other financial liabilities	14	-	-	164.48	164.48
<b>Total</b>		-	-	<b>2,115.19</b>	<b>2,115.19</b>

**28.2 Category-wise Classification of Financial Instruments:**

The financial instruments are categorised in to three levels, based on the inputs used to arrive at fair value measurement as described below :

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Inputs based on unobservable market data.

**Valuation Methodology**

Financial instruments are initially recognised and subsequently re-measured at fair value as described below :

The fair value of investment in quoted Mutual Funds is measured at quoted price/ NAV.

**(a) Quantitative disclosures of fair value measurement hierarchy for financial assets and financial liabilities**

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

(₹ in Lakhs)

Particulars	As at 31-03-2024		
	Quoted price in active markets (Level 1)	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)
<b>Financial Assets</b>			
Investments in quoted mutual funds (measured at FVTPL)	50.05	-	-

There are no instruments covered under level 2 & 3 .

**(b) Financial Instrument measured at Amortised Cost**

The management assessed that cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables, bank overdrafts, investments and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



## RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

### Notes to Financial Statements for the Year Ended 31st March, 2024

#### 29 Financial instruments risk management objectives and policies

The Company's principal financial liabilities, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include investments, trade and other receivables and cash & term deposits that derive directly from its operations.

##### (a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables and derivative financial instruments.

The potential economic impact, due to these assumptions and current situation, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of Profit and Loss may differ materially from these estimates due to actual developments in the global financial

##### i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates and period of borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowing. In certain cases company enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit and equity for the period ended 31st March, 2024 would (decrease)/increase by ₹ 0.45 Lakhs. This is mainly attributable to variable interest rates on long term borrowings.

##### ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the recognised underlying assets/liabilities and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

The carrying amounts of the Company's unhedged foreign currency denominated monetary items are as follows:

Currency	₹ in Lakhs)	
	Liabilities As at 31-03-2024	Assets As at 31-03-2024
USD	-	191.99
AED	3.97	4.11

The above table represents total exposure of the Company towards foreign exchange denominated assets and liabilities.

The Company is mainly exposed to changes in USD and AED. The below table demonstrates the sensitivity to a 1% increase or decrease in the USD and AED against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

Particulars	₹ in Lakhs)	
	Impact on Profit before tax	Impact on Pre-tax Equity
	For the year ended 31-03-2024	For the year ended 31-03-2024
<b>a) USD Sensitivity</b>		
RUPEES / USD - Increase by 1%	(1.92)	(1.59)
RUPEES / USD - Decrease by 1%	1.92	1.59
<b>b) AED Sensitivity</b>		
RUPEES / AED - Increase by 1%	(0.00)	(0.00)
RUPEES / AED - Decrease by 1%	0.00	0.00

##### iii) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and bonds. The Company is exposed to price risk arising mainly from investments in mutual funds recognised at FVTPL. As at 31<sup>st</sup> March 2024 the carrying value of such instruments recognised at FVTPL amounts to ₹ 50.05 Lakhs. The details of such investments in mutual funds is given in note 4.

The management expects that the exposure to risk of changes in market rates of these mutual funds is minimal.



## RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

### Notes to Financial Statements for the Year Ended 31st March, 2024

(b) **Credit Risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

The Company generally extends a credit period of 0 to 180 days.

(c) **Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including, debt and overdraft / credit facilities from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual payments:

Particulars	Carrying amount	Maturity Profile			Total
		Less than 1 year	1 to 5 years	More than 5 year	
(₹ in Lakhs)					
<b>Year ended 31<sup>st</sup> March, 2024</b>					
Interest bearing borrowings*	-	20.74	850.00	-	870.74
Trade payables	-	472.51	-	-	472.51
Lease liabilities	-	217.04	390.42	-	607.46
Other financial liabilities	-	164.48	-	-	164.48

\* The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments.

30 **Capital Management**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The Company estimates the amount of capital required on the basis of annual business and long term operating plans which includes capital and other strategic investments. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

As at 31st March, 2024, the Company meets its capital requirement through equity and borrowings from banks. The Company monitors its capital and debt on the basis of debt to equity ratio.

The debt equity ratio of the reporting period is as follows:

Particulars	(₹ in Lakhs)
	As at 31-03-2024
Borrowings	870.74
Total Equity	96.78
Debt Equity Ratio	9.00

The Company's capital management amongst other things, aims to ensure that it meets financials covenants attached to borrowing



## RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

### Notes to Financial Statements for the Year Ended 31st March, 2024

#### 31 Schedule of government grant : (refer note 15)

Particulars	₹ in Lakhs	
	As at 31-03-2024	
At the beginning of the current reporting period		-
Grant received during the year		10.52
Amortised to the statement of profit & loss		0.01
<b>Closing balance of Grant</b>		<b>10.53</b>
Current		0.67
Non-current		9.86
<b>Total</b>		<b>10.53</b>

32 The code of Social Security, 2020 ('Code') relating to employee benefits during the employment and post-employment received Presidential assent in September 2020 and its effective date is yet to be notified. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the financial impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective.

#### 33 Events after the reporting period

The Company evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 6, 2024, other than those disclosed and adjusted elsewhere in these financial statements, there were no further subsequent events to be reported or recognised.

#### 34 Ratio Analysis and its elements

sr. No.	Ratio	Numerator	Denominator	31-Mar-24	% change	Reason for variance
1	Current Ratio (times)	Current Assets	Current Liabilities	0.78	N.A.	N.A.
2	Debt- Equity Ratio (times)	Total Debt	Shareholder's Equity	3.22	N.A.	N.A.
3	Debt Service Coverage Ratio (times)	Net Profit after Taxes+Depreciation+ Interest	Interest+Lease payments+Principal repayments	0.14	N.A.	N.A.
4	Return on Equity Ratio (%)	Net Profit after Taxes	Shareholder's Equity	-64.16%	N.A.	N.A.
5	Inventory Turnover Ratio (times)	Revenue from operations	Average Inventory	0.03	N.A.	N.A.
6	Trade Receivable Turnover Ratio (times)	Revenue from operations	Average Trade Receivable	0.89	N.A.	N.A.
7	Trade Payable Turnover Ratio (times)	Net Credit Purchases	Average Trade Payables	0.93	N.A.	N.A.
8	Net Capital Turnover Ratio (times)	Revenue from operations	Working capital = Current assets - Current liabilities	-0.07	N.A.	N.A.
9	Net Profit Ratio (%)	Net Profit after Taxes	Revenue from operations	-1222.44%	N.A.	N.A.
10	Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + DTL	-19.79%	N.A.	N.A.
11	Return on Investment (%)	Income Earned on investments	Weighted Average Investment	6.71%	N.A.	N.A.



## RATNAMANI FINOW SPOOLING SOLUTIONS PVT. LTD.

### Notes to Financial Statements for the Year Ended 31st March, 2024

35 These, being the first financial statements of the Company since incorporation, are drawn for the period from 27th September, 2023 to 31st March, 2024 and hence, there are no comparatives to present.

#### 36 Other statutory information

- i) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- ii) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- vii) The Company does not have any transactions with companies which are struck off.
- viii) The Company has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

As per our report of even date

For **KANTILAL PATEL & CO**  
Chartered Accountants

ICAI Firm Registration No: 104744W



per **JINAL A. PATEL**  
Partner  
Membership No. 153599

Place : Ahmedabad


Date : **May 6, 2024**



For and on behalf of Board of Directors,  
**Ratnamani Finow Spooling Solutions Pvt. Ltd.**



Mr. **Prashant Jayantilal Sanghvi**  
Director  
DIN:00631700



Mr. **Jigar Prakash Sanghvi**  
Director  
DIN:08148608  
Place : Ahmedabad

Date : **May 6, 2024**

