

**RATNAMANI INC.****BALANCE SHEET AS AT 31st MARCH, 2015**

Particulars	Note	As at 31.03.2015 Amount USD	As at 31.03.2015 Amount ₹ IN Lacs
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	10,000.00	6.08
Reserves and Surplus	4	155,499.73	96.90
		165,499.73	102.98
Current Liabilities			
Trade Payables	5	140,053.22	87.14
Other Current Liabilities	6	-	-
Short-term Provisions	7	71,958.85	44.77
		212,012.07	131.91
Total		377,511.80	234.89
ASSETS			
Current Assets			
Trade Receivables	8	-	-
Cash and Bank Balances	9	375,281.80	233.50
Short-term Loans and Advances	10	2,230.00	1.39
		377,511.80	234.89
Total		377,511.80	234.89
Summary of Significant Accounting Policies	2.1		
The accompanying notes are integral part of the Financial Statements.			



RATNAMANI INC.

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st MARCH 2015

(₹ in Lacs)

Particulars	Note	Year Ended 31.03.2015 Amount USD	Year Ended 31.03.2015 Amount ₹ IN Lacs
INCOME			
Revenue from Operations	11	9,473,305.37	5,791.51
Other Income	12	143,926.89	87.98
Total Revenue		9,617,232.26	5,879.49
EXPENSES			
Cost of Goods Sold	13	9,202,687.70	5,626.06
Employee Benefits Expense	14	10,091.06	6.17
Finance Costs	15	85,215.50	52.09
Other Expenses	16	91,779.42	56.10
Total Expenses		9,389,773.68	5,740.42
Profit Before Exceptional and Extraordinary Items		227,458.58	139.07
Exceptional Items		-	-
Profit Before Extraordinary Items and Tax		227,458.58	139.07
Extraordinary Items		-	-
Profit Before Tax		227,458.58	139.07
Tax Expense:			
Current Tax		71,958.85	44.77
Excess Provision for Current Tax of earlier years		-	-
Deferred Tax Expense		-	-
Profit After Tax		155,499.73	94.30
Add:- Prior Period Items		-	-
Net Profit		155,499.73	94.30
Summary of Significant Accounting Policies	2.1		
The accompanying notes are integral part of the Financial Statements.			

**RATNAMANI INC.**

Cash Flow Statement for the year 2014-15

Amount in USD

	2014-15
A: CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit before tax as per Statement of Profit and Loss	227,458.58
Adjusted For:	
Interest Income	(84,883.54)
Interest Expenses	84,883.54
Operating Profit before working capital changes	227,458.58
Adjusted For:	
Decrease/(Increase) in short term loans and advances	(2,230.00)
Increase/(Decrease) in trade payables	140,053.22
Increase/(Decrease) in short term provisions	-
Cash Generated from Operations	365,281.80
Direct Taxes Paid	-
Net Cash Generated from Operating Activities	365,281.80
B: CASH FLOW FROM INVESTING ACTIVITIES	
Interest Income	84,883.54
Net Cash (used In)/generated from Investing Activities	84,883.54
C: CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from Issue of Shares	10,000.00
Interest Paid	(84,883.54)
Net Cash (used In) Financing Activities	(74,883.54)
Net (Decrease)/ Increase in Cash and Cash Equivalents	375,281.80
Opening Balance of Cash and Cash Equivalents	-
Closing Balance of Cash and Cash Equivalents (Refer note no. 09)	375,281.80
Components of cash and cash equivalents	
Balances with Banks in Current Accounts	375,281.80
Total cash and cash equivalents (note 09)	375,281.80



RATNAMANI INC.

Notes to Financial Statements for the Year ended 31st March, 2015		
	As at 31.03.2015 Amount USD	As at 31.03.2015 Amount ₹ IN Lacs
NOTE : 3 SHARE CAPITAL Issued, Subscribed and Paid-up 10,000 (Nil) Equity Shares of \$ 1/- each (P.Y.NII)	10,000.00	6.08
	10,000.00	6.08
NOTE : 4 RESERVES AND SURPLUS General Reserve Balance as per last year Add:- Transferred from Statement of Profit and Loss Foreign Exchange Translation Reserve Surplus in the Statement of Profit and Loss Balance as per last year Profit for the year Less:- Appropriations Transferred to General Reserve Net Surplus in the Statement of Profit and Loss Total Reserves and Surplus	- - - - - 155,499.73 - - 155,499.73 155,499.73	- - - 2.60 - 94.30 - - 94.30 96.90
NOTE : 5 TRADE PAYABLES Trade Payables	140,053.22 140,053.22	87.14 87.14
NOTE : 6 OTHER CURRENT LIABILITIES	-	-
NOTE : 7 SHORT TERM PROVISIONS Provision for Income Tax	71,958.85 71,958.85	44.77 44.77
NOTE : 8 TRADE RECEIVABLES Outstanding for a period exceeding six months from the due date - Considered good Other receivables - Considered good	- - -	- - -
NOTE : 9 CASH AND BANK BALANCES Balances with Banks and Current accounts - Bank of America - Citi Bank	2,702.82 372,578.98 375,281.80	1.68 231.82 233.50
NOTE : 10 LOANS AND ADVANCES - Security Deposits	2,230.00 2,230.00	1.39 1.39



RATNAMANI INC.

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

	Year Ended 31.03.2015 Amount USD	Year Ended 31.03.2015 Amount ₹ IN Lacs
NOTE : 11 REVENUE FROM OPERATIONS Sale of Products (Refer note no. 11.1) - Finished Goods	9,473,305.37	5,791.51
TOTAL INCOME	9,473,305.37	5,791.51
NOTE : 11.1 Details of Products Sold Finished goods sold - Carbon Steel Pipes	9,473,305.37	5,791.51
	9,473,305.37	5,791.51
NOTE : 12 OTHER INCOME - Interest Income - Bad debts recovered/ sundry balances written back - Labour Charges Recovered - C & F Charges Recovered	84,883.54 0.35 21,693.00 37,350.00	51.89 - 13.26 22.83
	143,926.89	87.98
NOTE : 13 COST OF GOODS SOLD - Opening Inventory - Add: Purchases (Refer Note 13.1) - Less: Closing Inventory Cost of Goods sold Note: 13.1 Details of Cost of Goods sold - Carbon Steel Pipes	- 9,202,687.70 9,202,687.70 - 9,202,687.70 9,202,687.70	- 5,626.06 5,626.06 - 5,626.06 5,626.06
	9,202,687.70	5,626.06
NOTE : 14 EMPLOYEE BENEFITS EXPENSE Salaries, Wages and Bonus Staff Welfare Expenses	10,091.06 - 10,091.06	6.17 - 6.17
	10,091.06	6.17
NOTE : 15 FINANCE COSTS Interest Bank charges	84,883.54 331.96 85,215.50	51.89 0.20 52.09
	85,215.50	52.09
NOTE : 16 OTHER EXPENSES Legal & Consultancy Charges Labour Charges Freight and Transport Traveling & Conveyance Expenses Rent Other Expenses	10,591.62 21,693.00 37,350.00 11,905.62 9,996.69 242.49 91,779.42	6.48 13.26 22.83 7.28 6.11 0.14 56.10
	91,779.42	56.10

**RATNAMANI INC.****Notes to Financial Statements for the Year ended 31st March, 2015****11 Related Party disclosures**

As required by Accounting Standard - AS 18 "Related Parties Disclosures" notified under the Companies (Accounting Standards) Rules, 2006, the details are as follows:

A	Relationships
(a)	Parent Company - Ratnamani Metals and Tubes Limited

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

Particulars	31-03-2015 (Amount in USD)
Equity Subscribed	10,000.00
Interest Expense	84,883.54
Reimbursement of Expense	21,296.68
Other Expenses	59,043.00
Purchases	9,202,687.70
Receipt of Loans	12,768.84
Repayment of Loans	12,768.84
Outstanding payable as at year end	140,053.21

12 Imported and indigenous raw materials, components and spare parts consumed

Particulars	31-03-2015	
	%	(Amount in \$)
Raw Materials		
Indigenous		
Imported	100.00	9,202,687.70
	100.00	9,202,687.70

13 Earnings Per Share (EPS):

Particulars		31-03-2015
i) Profit as per Statement of Profit & Loss	(\$)	155,499.73
ii) Weighted average No. of shares for EPS computation		
a) For Basic EPS (Nos)	No.	5584
b) For Diluted EPS (Nos)	No.	5589
Earnings per Share (Basic)	(\$)	27.82
Earnings per Share (Diluted)	(\$)	27.82
Nominal Value of Shares	(\$)	1.00

14 Current financial year is first year of operation of the Company and hence presentation of previous year's figures is not applicable.

**1 CORPORATE INFORMATION :**

Ratnamani Inc is a wholly owned subsidiary Company of Ratnamani Metals & Tubes Ltd. domiciled in USA Incorporated under the General Corporation Law of Delaware. The Company is engaged in trading of stainless steel pipes and tubes and carbon steel pipes.

2 BASIS OF ACCOUNTING:

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

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**a. USE OF ESTIMATES:**

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

b. REVENUE:

i) Revenue from operations is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations & Income from operations represents the amounts receivable for goods.

c. INCOME TAXES:

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

d. PROVISIONS:

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

e. CONTINGENT LIABILITY:

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

f. CASH AND CASH EQUIVALENT:

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

g. CASH FLOW STATEMENT:

Cash flow statement is prepared using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company are segregated based on the available information.

h. OPERATING LEASE:

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

i. TRANSLATION OF THE FINANCIAL STATEMENTS:

Translations of the financial statements have been done using the following exchange rates:-

- (a) Assets and Liabilities have been translated by using the rates prevailing as on the date of the balance sheet.
- (b) Income and Expense items have been translated by using the average rate of exchange prevailing during the year, which approximates to the exchange rate prevailing at the transaction date.
- (c) Exchange difference arising on translation of financial statements of non-integral operations as specified above is recognized in the Foreign Currency Translation Reserve.