



2019

ANNUAL REPORT

REG. OFFICE: 3E/17, B.P., NIT, FARIDABAD – 121001

Web Link: www.rajnandinimetal.com

E-Mail Id: info@rajnandinimetal.com



RAJNANDINI METAL LIMITED

CIN: U51109HR2010PLC040255

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ANNUAL REPORT 2018-19

BOARD OF DIRECTORS

Chairman	: HET RAM
Directors	: MITHLESH SHARMA : SURENDER SHARMA : SHIV KUMAR
Chief Financial Officer	: MANOJ KUMAR JANGIR
Secretarial Auditor	: ABHISHEK J & CO.
Statutory Auditor	: SANMARKS & ASSOCIATES
Bankers	: KARNATAKA BANK LIMITED
Registrar to the Company	: Bigshare Services Pvt Ltd.
Registered Office	: 3E/17, B.P., NIT, FARIDABAD – 121001
Website	: www.rajnandinimetal.com

CHAIRMAN'S SPEECH



Dear Valued Shareholders,

On behalf of the Board of Directors of your Company, it is great pleasure for me to extend a very warm welcome to each one of you at the 9th Annual General Meeting of your Company.

The Company has achieved milestones of bringing successfully initial public offer of 16,44,000 equity share of Rs. 10/- at premium of Rs. 16/- per share. It is matter of pride and pleasure to inform you that initial public offer of your company was overwhelmingly responded and oversubscribed 115.00% even in critical market condition during October 2018. The shares were listed at NSE Eemerge , on 08th October, 2018 with a debut of upper circuit on the first day.

THE INDIAN ECONOMY

Indian economy has shown sign of recovery in last couple of years with stronger growth, significantly narrowed current account deficit, fiscal deficit moving towards a consolidation path and inflation trending downwards. However Indian economy is certainly capable of achieving higher growth than the current levels. In order to achieve and sustain such economic growth it is imperative that there should be an enabling atmosphere that fosters competition and improves ease of doing business. The challenge, therefore, is to initiate structural reforms for sustainable higher economical growth.

India has emerged as the fastest growing major economy in the world as per the Centre Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the three economy powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19.

PERFORMANCE HIGHLIGHTS

Your Company continues to accomplish a healthy and steady growth during the financial year 2018-19.

Below are the key financial achievements of the Company:

- ❖ Profit before tax has increased to Rs. 154.00 lakhs in FY 2018-19 as compared to Rs. 141.01 lakhs during FY 2017-18 showing a steady growth of 9.21%
- ❖ Profit after tax has increased to Rs. 104.51 lakhs in FY 2018-19 as compared to Rs. 94.25 lakhs during FY 2017-18 showing a healthy growth of 10.89

ACKNOWLEDGEMENT

Before I conclude, on behalf of the Board of Directors of your Company, I would like to express my sincere thanks to the valued shareholders for your continued support and trust in us. This motivates us to excel in all our pursuits and constant endeavor to create value for you.

We look forward to an enduring and mutually beneficial relationship with our investors.

Thank you once again and offer my best wishes for the upcoming years.

Sd/-

Het Ram Sharma

Chairman and Managing Director

DIN: 02925990

Dated: July 01, 2019

NOTICE

Notice is hereby given that 9th Annual General Meeting of the Members of **Rajnandini Metal Limited** (“the **Company**”) will be held on Friday, July 26, 2019 at 2:00 p.m. at the registered office of the company, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended on 31st March, 2019 and Reports of the Board of Directors and the Auditors thereon.
2. To appoint Statutory Auditor of the Company and fix their remuneration:

To consider and if thought fit to pass with or without modifications, the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the section 139, 142 and any other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force) and in pursuance to the resolution passed by the Members of the Company at the Annual General Meeting dated July 26, 2019 for appointment of M/s SANMARKS & ASSOCIATES, Chartered Accountant, Faridabad, FRN. 003343N, as statutory auditor of the Company for a block subsequent five financial years ending 31st March, 2024 subject to ratification by the shareholder’s approval in every year, the appointment of M/s Sanmarks & Associates, Chartered Accountant, Faridabad, FRN. 003343N as statutory auditor of the Company for conducting the statutory audit for the financial year 2019-20 and is hereby decided by one Director of the Company in consultation with statutory auditor of the Company.”

3. To appoint a Director in place of Mrs. Mithlesh Sharma (DIN: 06810394), who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS:

4. To Approve contact/arrangement for material Related Party Transactions with various related parties.

To consider and if thought fit to pass with or without modifications, the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 188 and other applicable provisions, if any, of the Companies Act, 2013 (as amended or re-enacted from time to time) and the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations

and Disclosure Requirements) Regulation 2015 (including any statutory modification(s) or enactment therefore for the time being in force) and also pursuant to the consent of the member of the Company be and is hereby accorded to the Material Related Party Transactions with all the related parties as mentioned in the explanatory statement as entered by the Company for the financial year 2019-20 of a value of Rs. 44.68 crores.

By Order of Board of Directors

For **Rajnandini Metal Limited**

Sd/-

Het Ram Sharma

Managing Director

DIN: 02925990

Dated: July 01, 2019

NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The instrument of proxy to be effective should be deposited at the registered office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this report. Proxies submitted on behalf of limited companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

1. The Register of Members and the Share Transfer Books of the Company will remain closed from July 19, 2019 to July 26, 2019 (both days inclusive).
2. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their email address either with the Company or depository participant(s). Members holding shares in demat form must intimate the change in their address, if any, to Bigshare Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra.; Ph No. - 022- 40430200.
3. Members holding shares in physical form are requested to intimate change in their address, if any, immediately to the Company's Registrar and Share Transfer Agent i.e. Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra.; Ph No. - 022- 40430200, e-mail: investor@bigshareonline.com, website: www.bigshareonline.com/ is the Registrar and Share Transfer Agent (RTA). Bigshare Services Pvt. Ltd is also depository interface of the Company with both NSDL and CDSL. The Company or Registrar cannot act on any request received directly from Shareholders holding shares in demat form for any change of Bank particulars.
4. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the depository participant(s), unless the members have registered their request for hard copy of the same. Physical copy of the notice of AGM, Annual Report and Attendance Slip are being sent to those members who have not registered their email address with the company or depository participant(s). Members who have received the notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.

5. REMOTE VOTING

AS per Sub rule 2 of the Rule 20 of the Companies (Management and Administration) Rules, 2014, SMEs' are exempted from the provisions of E-voting as given under section 108 of the Companies Act, 2013. Therefore the Company is not providing the option of E-Voting.

6. APPOINTMENT AND REAPPOINTMENT OF DIRECTORS

The information is required under the Regulation 36 of the SEBI (LODR) regulations 2015 and Secretarial Standard on General Meeting, in relation to the appointment/re-appointment at ensuing Annual General Meeting of Directors as under

Name of Director	Mrs. Mithlesh Sharma
DIN	06810394
Nationality	Indian
Date of Appointment	01.04.2016
Qualification	Bachelors of Arts
Experience	Mrs. Mithlesh Sharma is an expert in human relations and has hired, trained and managed internal staff. She has planned and directed the strategies, development of advertising campaign, creative development for the company.
Directorship held in other companies	Loveni Marketing and Advertising Pvt Ltd
Chairman/Member of the Committees(s) of the Board of Directors of the Listed Companies	NIL
Number of Shares held in the Company	20,02,060
Relationship with other Directors	Mrs. Mithlesh Sharma is wife of Mr. Het Ram Sharma

By Order of Board of Directors

For Rajnandini Metal Limited

Sd/-
Het Ram Sharma
Managing Director
DIN: 02925990

Dated: July 01, 2019

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 04:

To Approve contract / arrangement for material Related Party Transactions with various related parties.

Section 188 of the Companies Act, 2013 read with rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended, prescribe certain procedure for approval of related party transactions. The Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has also prescribed seeking of shareholder's approval for material related party transactions. Proviso to Section 188 provides that nothing contained in sub-section 188 applies where transactions are entered into by the Company in the ordinary course of business other than transactions which are not on an arm's length basis.

All the proposed transactions put up for approval are in ordinary course of business and at arm's length. Pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the following contracts / arrangements / transactions are material in nature and require approval of unrelated shareholders of the Company by an Ordinary Resolution:

Sr. No.	Name of Related Party	Relationship	Maximum Value of Transactions per annum (Rs. in Crore)	Nature and Material Terms/Particulars of the contract or arrangement
1	Loveni Marketing & Advertising Pvt. Ltd.	Two Directors are interested as they are Directors in the Board of the Company.	1.5 Crore	Sale and purchase
2	Het Ram HUF	One Director is interested as he is director in the Board of the Company	1.5 Crore	Sale and purchase
3	Atma Ram Sharma HUF	Karta is farther of Promoter and Managing Director	1.5 Crore	Sale and purchase
4	Haryana Metal Traders (PF)	One Director is interested as he is director in the Board of the Company	40 Crore	Sale and purchase
5	Mrs. Mithlesh Sharma	Director	18 Lacs	Rent paid by the Company to Mrs. Mithlesh Sharma

As per Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all material related party transactions shall require approval of the shareholders through ordinary resolution and the related parties shall abstain from voting on such resolution whether the entity is a related party to the particular transaction or not. Further as per Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014, where any Director is interested in any contract or arrangement with a related party, such Director shall not be present at the meeting during discussion on

the subject matter of the resolution relating to such contract or arrangement. Accordingly, all related parties of the Company shall not participate or vote on this resolution.

The Board recommends this resolution set out in Item No. 04 of this notice for approval of the members.

Mr. Het Ram, Mrs. Mithlesh Sharma are interested in the said resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested.

By Order of Board of Directors

For Rajnandini Metal Limited

Sd/-

Het Ram Sharma
Managing Director
DIN: 02925990

Dated: July 01, 2019

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting before you the Ninth (9th) Annual Report of the Company for the financial year ended 31st March, 2019 along with audited statements of accounts and Auditors' Report thereon.

1. FINANCIAL HIGHLIGHTS

Particulars	Year Ended 31.03.2019 (Rs. in '000)	Year Ended 31.03.2018 (Rs. in '000)
Revenue from operations	13,67,682	1408742
Other income	1,042	2,809
Profit Before Finance Cost ,Depreciation & Amortization and Taxation	50,974	42,028
Less: Finance Cost	18,143	18,201
Less: Depreciation and amortization	1,414	1,310
Less: Other Expenses	16,017	8,416
Profit Before tax	15,400	14,101
Less: Provision for tax	-	-
Current Tax	4,557	5,190
Deferred Tax	392	(514)
Net Profit for the Year	10,451	9,425
Less: Income Tax Paid for earlier year	-	-
Add: Other Comprehensive Income	-	-
Total Comprehensive Income	10,451	9,425
Balance available for appropriations	10,451	9,425
Less: Dividend paid	-	-
Tax on dividend	-	-
Balance carried forward	10,451	9,425

2. State Of Company's Affairs

Our Company was incorporated as a private limited company namely "Rajnandini Metal Private Limited" under the Companies Act, 1956 vide certificate of incorporation dated March 18, 2010 issued by Registrar of Companies, NCT of Delhi and Haryana bearing registration no 040255. Further, Our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra Ordinary General Meeting held on March 01, 2018 and now, our company is listed company, who is listed at SME platform of NSE on 08th October, 2018.

Company is engaged in the business of trading of ferrous and non – ferrous metals and during the month of January 2019, our Company started the process of recycling the scraps metal into different kind of metal categories and by manufacturing process, one form of metal is converted into hard shape of metal and during the period, so far no major in the business activity of the Company

3. Review of business

Your Company has registered a down fall in the net revenue from operations for the year ended 31st March, 2019 at Rs.136.76 crores as against Rs 140.87 crores in the previous year.

4. Dividend

To conserve resources and plough back profits, your Directors have not recommended any dividend for the period under review.

5. **Transfer to Reserves**

Board of directors of your Company are of the opinion that there is a need to conserve the resources of the company, hence no dividend be declare for the period ended on 31st March, 2019. It is hoped that your company with increase in its income during the year will ensure high returns to investors

6. **Change in the Nature Of Business**

There is no change in the nature of Business of the Company.

7. **Listing**

The Board of Directors has, in the meeting held on 26th February, 2018, proposed the Initial Public Offer of Equity shares. The Members had also approved the proposal of Board of Directors in their Extra- Ordinary General Meeting held on 20th March, 2018.

Pursuant to authority granted by the Members of the Company, the Board of Directors has appointed Corporate Capital Venture Private Limited as Lead Manager and Bigshare Services Private Limited as Registrar to the Issue and Share Transfer Agent for the public issue.

The Company has filed Prospectus to the Registrar of the Company, Delhi & Haryana and the Public Issue was open on 24th September, 2018 and closed on 27th September, 2018.

The Company has applied for listing of 16,44,000 equity shares to NSE Emerge and the same has been granted its approval vide letter dated 03rd October, 2018. The trading of equity shares of the Company commenced on 08th October, 2018.

8. **Conservation of energy, technology absorption, foreign exchange earnings and outgo**

Conservation of energy: Not applicable

Technology absorption: Not applicable

Foreign exchange earnings: There is no export of goods by the Company

9. **Material changes and commitment, if any, affecting the financial position of the company occurred between the end of the financial year to which these financial statements relate and the date of the report**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of this Report.

10. **Particulars of loans, guarantees or investments made under section 186 of the companies act, 2013**

The Company has adhere to the provisions of section 186 of the Companies Act, 2013 in respect of loans, advances and investments which are duly accounted for & reflected in the audited financial statements (refer Note No. 12 to the “Notes to IND AS Financial Statements”).

11. **Subsidiaries, Joint Ventures and Associate companies along with their performance and financial position**

The Company does not have any Subsidiary, Joint venture or Associate Company. A report as presented in Form AOC-1 annexed to this Report as Annexure 1.

12. **Particulars of contracts or arrangements made with related parties**

All related party transactions that were entered into during the year under report were on an arm’s length basis and were in the ordinary course of business. There were no materially significant related party transactions

made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company.

Your Directors draw attention of the members to (refer Note No. 33 to the “Notes to IND AS Financial Statements”)

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 is attached as Annexure-II in the Form AOC-2.

13. Statutory Auditors

Pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, as amended from time to time, the Company hereby ratifies the appointment of Statutory Auditors, M/s. SANMARKS & ASSOCIATES., Chartered Accountants, (FRN: 003343N) as statutory auditor of the Company for a block subsequent five financial years ending 31st March, 2024 subject to ratification by the shareholder’s approval in every year.

14. Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014, disclosure about the appointment of cost auditor is not mandatory. However as per prudent practices Companies disclose about the appointment of Cost Auditor.

15. Internal Control Systems and their adequacy

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit reports to the Chairman of the Audit Committee of the Board & to the Managing Director.

The Internal Audit Department reviews the effectiveness and efficiency of these systems and procedures to ensure that all assets are protected against loss and that the financial and operational information is accurate and complete in all respects. Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly.

Pursuant to provision of Section 138 of the Companies Act, 2013, Board of Directors have appointed Mr. Manoj Kumar Jangir as an internal auditor of the Company w.e.f February 04, 2019 to conduct the internal audit of the functions and activities of the Company.

16. Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the auditors and the practicing company secretary in their reports

There were no qualifications, reservations or adverse remarks made by the Auditors & the Practising Company Secretary in their report.

17. Vigil Mechanism

The Company has established a vigil mechanism that enables the Directors and Employees to report genuine concerns. The vigil mechanism provides for (a) adequate safeguards against victimization of persons who use the vigil mechanism; and (b) direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases.

18. Particulars of Employees

There were no employee in receipt of remuneration of Rs. 1.02 crores Rupees per annum if employed for whole of the year, or Rs. 8.50 Lakhs Rupees per month, if employed for part of the year, whose particulars are required to be given under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

19. **Details of the remuneration to Directors**

Pursuant to section 197(12) of the Act read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the information relating to remuneration of Directors and details of the ratio of the remuneration of each Director to the median employees remuneration and other details as required is attached as **Annexure-III** to the report

20. **Secretarial Audit Report**

Pursuant to the provisions of Section 204 of Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel Rules) 2014, Company had appointed M/s M/s. Abhishek J & Co. Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report is attached as Annexure-IV.

21. **Prevention of Sexual Harassment at Workplace**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made there under, An internal Complaints Committee (ICC) has been set up to redress the Complaint received regarding sexual harassment. There was no case of sexual harassment reported during the financial period under review.

22. **Matters related to Directors and Key Managerial Personnel**

In terms of the provisions Section 152 of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Mithlesh Sharma (DIN: 06810394) Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offered herself for reappointment.

23. **Directors Responsibility Statement**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

- (i) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year for that period;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of the adequate Accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the annual accounts on a going concern basis.
- (v) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

24. **Number of Board Meetings conducted during the year under review**

During the financial period ended 2019, the Board of Directors duly met 10 times on 20.04.2018, 04.05.2018, 22.05.2018, 28.06.2018, 13.07.2018, 21.09.2019, 03.10.2018, 08.11.2018, 04.02.2019 & 31.03.2019 for which proper notices for meeting were given and the proceedings were properly recorded. Draft minutes of Board Meeting were circulated to members of the Board for their comments thereafter signed copy of minutes were also circulated to Board Members for confirmation of the same. Details of attendances are as under.

S. no	Name of Director	N.o. of Board Meetings		Attendance at the previous AGM
		Held during tenure	Attended during tenure	
1.	Mr. Het Ram	10	10	Yes
2.	Mrs. Mithlesh Sharma	10	10	Yes
3.	Mr. Surender Sharma	10	06	Yes
4.	Mr. Shiv Kumar	08	07	Yes

25. Annual Return

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in form MGT -9 attached as **Annexure-V**.

26. Performance Evaluation of BOD & Individual Directors

The Company was not required to carry formal annual evaluation by the Board of its own performance and that of its committees and individual directors for the financial period ended 2019 as the company did not fall under the criteria specified in Section 134 (3) (p) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014 on 31.03.2019. Although, the directors of the Company are vigilant towards their duties and responsibilities as director of the Company.

27. Public Deposits

The Company has not accepted any deposit from the public during the year under review as covered the provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under report.

28. Shares

a. The Company has not bought back any of its securities during the year under review

b. The Company has not issued any Sweat Equity Shares during the year under review.

c. The Company During the period under review following changes have taken place in the share capital of the Company

Pursuant to Initial Public Offer of Equity shares by the Company, the Board of Directors of the Company, in their meeting held on October 3, 2018 has allotted total 16,44,000 (Sixteen Lakhs Fourty Thousand) Equity Shares of Rs. 10/- each at a price of Rs. 26/- (Rupees Twenty Six) per Equity Shares to the successful allottees, whose list have been finalized by the Company, the Registrar of the Issue and Merchant Banker in consultation with the National Stock Exchange of India Limited.

Your Company has an Authorized Capital of Rs. 6,50,00,000 (comprising of 65,00,000 equity shares @ Rs. 10/- each) out of which paid up capital of Rs. 6,14,40,000 (comprising of 61,44,000 equity shares @ Rs. 10/- each).

During the period under review, the Company has not issued any equity shares with differential rights and hence disclosures as required in Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 are not required. The Company has not issued any sweat equity or stock options. As on 31st March, 2019, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

d. The Company has not provided any Stock Option Scheme to the employees.

29. **Transfer of Unclaimed Dividend to Investor Education and Protection Fund**

As the company have not recommended and provided any dividend till now.

30. **Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

No such order has been passed by any Regulators or Courts or Tribunals.

31. **Management Discussion And Analysis Report**

The Management Discussion and Analysis report has been separately furnished in the Annual Report and forms a part of the Annual Report at and is attached as Annexure-VI.

32. **Corporate Governance**

The Company being listed on the SME Platform of National Stock Exchange of India Limited is exempted from provisions of Corporate Governance as per Regulation 15 of the SEBI (LODR) Regulations, 2015. Hence, no corporate governance is required to be disclosed with Annual Report. It is pertinent to mention that the Company follows majority of the provisions of the corporate governance voluntarily as a part of Good Corporate Governance.

33. **Disclosure of Audit Committee**

As per the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 the Company has constituted the Audit Committee comprising of the following:

Name of Director	Category	Designation in Committee
Mr. Surender Sharma (DIN: 08074623)	Non- Executive Independent Director	Chairperson
Mr. Shiv Kumar (DIN: 08139268)	Non- Executive Independent Director	Member
Mrs. Mithlesh Sharma (DIN: 06810394)	Director	Member

The meeting has been held on 12.07.2018, 02.10.2018, 07.11.2018 , 19.01.2019 and 31.03.2019 in the financial year ended 31st March, 2019.

34. **Disclosure of Nomination and Remuneration Committee**

In compliance of the provisions of Section 178 of the Companies Act, 2013 read with of the Companies (Meeting of Board and its Powers) Rules, 2013 the Company has constituted the Nomination and Remuneration Committee comprising of the following:

Name of Director	Category	Designation in Committee
Mr. Surender Sharma (DIN: 08074623)	Non- Executive Independent Director	Chairperson
Mr. Shiv Kumar (DIN: 08139268)	Non- Executive Independent Director	Member

Mrs. Mithlesh Sharma (DIN: 06810394)	Director	Member
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The meeting has been held on 12.07.2018, 09.10.18, 02.01.2019, 11.02.2019 and 31.03.2019 in the financial year ended 31st March, 2019.

35. Disclosure of Stakeholder Committee

In compliance of the provisions of Section 178 of the Companies Act, 2013 and regulation 20 of the LODR. The Company has constituted the Stakeholder Committee comprising of the following:

Name of Director	Category	Designation in Committee
Mr. Surender Sharma (DIN: 08074623)	Non- Executive Independent Director	Chairperson
Mr. Het Ram Sharma (DIN: 02925990)	Executive Director	Member
Mrs. Mithlesh Sharma (DIN: 06810394)	Director	Member

The meeting has been held on 12.07.2018, 09.10.18, 02.01.2019, 11.02.2019 and 31.03.2019 in the financial year ended 31st March, 2019.

Shareholders Complaint during the Year

Number of compliant received during the period: NIL

Number of compliant resolved during the period: NIL

Number of compliant remaining unresolved at the end of the year: NIL

The Scores website of SEBI redressing grievances of the investors is being visited at regular intervals by the company and there are no pending compliant registered with SCORES as on March 31st 2019

36. Risk Management

The Board of Directors has adopted a risk management policy to develop and implement risk management procedure / plan including their in elements of risks, if any which in the opinion of the Board may threaten the existence of the Company.

37. Declaration by Independent Directors

The independent directors have individually declared to the Board that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 at the time of their respective appointment and there is no change in the circumstances as on the date of this report which may affect their status as an independent director.

38. Corporate Social Responsibility Committee

As per the provisions of Section 135 of the Companies Act, 2013, constitution of Corporate Social Responsibility (CSR) Committee and matters relating to it is not applicable to Company. Hence there is no information regarding it.

39. **Business responsibility Report**

The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to your company for the financial period ended March, 2019.

40. **Insider Trading Regulation**

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992 read with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prevention of insider trading and the Code for Corporate Disclosures (“Code”), as approved by the Board from time to time, are in force by the Company.

41. **Compliance with Secretarial Standards**

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India (SS1 and SS2) respectively relating to Meetings of the Board and its Committees which have mandatory application.

42. **Acknowledgements**

Your Directors acknowledges gratefully the shareholders for their continued support and confidence. Your Directors also wish to record their appreciation for the loyal and devoted services rendered by the staff of the Company during the year.

Date: July 01, 2019
Place: Faridabad

For and on behalf of Board of Director

Het Ram Sharma
Chairman and Managing Director
DIN: 02925990

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rupees in million)

1. Sl. No.	1
2. Name of the subsidiary :	NA
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period :	N.A.
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	0
5. Share capital :	0
6. Reserves & surplus:	0
7. Total assets :	0
8. Total Liabilities :	0
9. Investments :	Nil
10. Turnover :	Nil
11. Profit / (Loss) before taxation :	0
12. Provision for taxation:	Nil
13. Profit / (Loss) after taxation:	0
14. Proposed Dividend:	Nil
15. % of shareholding	0

Names of subsidiaries which are yet to commence operations – Not Applicable

Name of subsidiaries which have been liquidated or sold during the year – Not Applicable

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not applicable

ANNEXURE -II

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

- Details of contracts or arrangements or transactions not at arm's length basis **Not Applicable.**
- **Details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2019 are as follows:-**

Name of related Parties	Nature of relationship	Nature of Contract/ Arrangement/ Transaction	Duration of Contract	Salient terms of contracts or arrangements or transactions including the Values, if any	Date of approval by the Board	Amount paid in advance (if any)
HET RAM	Director	Director Remuneration	1 Year	4800000.00	22.05.2018	Nil
MITHLESH SHARMA	Director	Director Remuneration	1 Year	1200000.00	22.05.2018	Nil
HARYANA METAL TRADERS	Proprietary firm of father of the director	Sales	1 Year	94397444.00	22.05.2018	Nil
MITHLESH SHARMA	Director	Rent	1 Year	1800000.00	22.05.2018	Nil
NANDINI SHARMA	Daughter of Director	Interest on Loan	1 Year	1160000.00	22.05.2018	Nil
HARYANA METAL TRADERS	Proprietary firm of father of the director	purchase	1 Year	209220866.00	22.05.2018	Nil

Date: July 01, 2019

Place: Faridabad

For and on behalf of Board of Director

**Het Ram Sharma
Chairman and Managing Director
DIN: 02925990**

Disclosure : Details of Remuneration related to Directors

[Section 197(12), read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

(I) Details of Ratio of Remuneration of Director

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No	Name of Director/KMP and designation	Remuneration to the Director/KMP for the FY2018-19(Rs.)	Percentage Increase /Decrease in remuneration in FY 2018-19
1.	HET RAM	4800000.00	-
2.	MITHLESH SHARMA	1200000.00	-
3.	MANOJ KUMAR JANGIR	780000.00	-
4.	RAHUL KUMAR BANSAL	300000.00	-

(II) The median remuneration of employees of the Company during the financial year was Rs. 1,50,000.

(III) In the financial year, there was an increase of Rs. 15,000 in the median remuneration of employees;

(IV) There were 12 permanent employees on the rolls of Company as on 31st March, 2019;

(V) Average percentage increase in the salaries of employees other than Executive Directors in the last financial year i.e. FY 2018-19 was 11.00% as compared to FY 2017-18.

(VI) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees **Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate statement and forms part of the Annual Report.**

Details of Top 10 employees as on 31st march in terms of remuneration drawn as required under section 197(12) read with Rule 5(2) of companies (Appointment and remuneration of managerial personnel)Rule , 2014

S.no	Name of Employee	Designation	Remuneration	Nature of employment	Educational Qualification	Experience	Date of Joining	Age of Employee	Previous employment	Equity shares held	Relation with Director
1	MANOJ KUMAR JANGIR	CFO(KMP)	780000.00	PAY ROLL	GRADUATE	15 YEAR	18.03.2010	38	S.K.ENTERPRISES	-	NO
2	RAHUL KUMAR BANSAL	COMPANY SECARETORY	300000.00	PAY ROLL	B.COM	3 YEAR	01.02.2018	31	IN PRACTICE	-	NO
3	TANUJA DIWAN	ACCOUNTS MANAGER	242200.00	PAY ROLL	GRADUATE	8 YEAR	01.12.2017	36	ARHAM ALLOY & STEEL PVT LTD	-	NO
4	SOMENATH BANARJEE	ACCOUNTS	72829.00	PAY ROLL	B.COM	15 YEAR	22.11.2018	50	SMS HYDROTECH	-	NO
5	SHEKHAR KUMAR	OFFICE ASSISTANT	175432.00	PAY ROLL	GRADUATE	5 YEAR	24.02.2015	34	HDFC BANK LTD	-	NO
6	REKHA DEVI	OFFICE ASSISTANT	208914.00	PAY ROLL	12 TH	5 YEAR	01.03.2018	30	PREVIOUS NOT JOB	-	NO
7	GEETA THAKUR	RECEPTIONIST	135414.00	PAY ROLL	GRADUATE	2 YEAR	26.03.2018	31	DEEP AUTOMATION	-	NO
8	NARPAT SINGH	SUPERVISOR	137301.00	PAY ROLL	12 TH	3 YEAR	01.05.2015	30	MAHAVEER ENTERPRISES	-	NO
9	JITENDRA SINGH	SUPERVISOR	153386.00	PAY ROLL	12 TH	5 YEAR	26.06.2015	41	SHREE BHIKSHU COMPONENTS	-	NO
10	PRATAP	FIELD BOY	148657.00	PAY ROLL	12 TH	3 YEAR	10.04.2018	36	NAMAN STEEL	-	NO

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

{Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,

The Members,

RAJNANDINI METAL LIMITED

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **RAJNANDINI METAL LIMITED** (hereinafter called Rajnandini / the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Rajnandini books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial period ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **RAJNANDINI METAL LIMITED** ("the Company") for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **N.A**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **N.A**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **N.A.**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **N.A.** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **N.A.**
- (vi) Compliances/ processes/ systems under other applicable Laws to the Company are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (b) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

Observations:

I report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors have not taken place during the period under review.

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

Majority decision is carried through were captured and recorded as part of the minutes of the meeting.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and Company is in process of reviewing & strengthening the same.

I further report that during the audit period, the Company had following events which had bearing on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. During the period of audit the Company has come out with an Initial Public Offer ("IPO") of 16,44,000 Equity Shares at an Issue Price of Rs. 26 per Equity Share aggregating to Rs. 427.44 Lakhs.

**For Abhishek J & Co.
Company Secretaries**

Place: New Delhi
Date: June 18, 2019

CS Abhishek Jain
ACS No. 28201
C.P No. 16592

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

To,
The Members,
RAJNANDINI METAL LIMITED

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

1. Maintenance of secretarial records, registers is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Abhishek J & Co.
Company Secretaries**

Place: New Delhi
Date: June 18, 2019

CS Abhishek Jain
ACS No. : 28201
C.P No. : 16592

Form No. MGT-9**EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31st March 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	U51109HR2010PLC040255		
ii)	Registration Date [DDMMYY]	18 th March, 2010		
iii)	Name of the Company	RAJNANDINI METAL LIMITED (Formerly known as Rajnandini Metal Private Limited)		
iv)	Category of the Company [Pl. tick]	1. Public Company <input checked="" type="checkbox"/> 2. Private Company		
	Sub Category of the Company [Please tick whichever are applicable]	1. Government Company		
		2. Small Company		
		3. One Person Company		
		4. Subsidiary of Foreign Company		
		5. NBFC		
		6. Guarantee Company		
		7. Limited by shares		<input checked="" type="checkbox"/>
		8. Unlimited Company		
		9. Company having share capital		<input checked="" type="checkbox"/>
		10. Company not having share capital		
		11. Company Registered under Section 8		
v)	Address of the Registered office and contract details	3E/17, B.P., NIT, Faridabad -121001 Contact Details: 0129-4074043		
vi)	Whether shares listed on recognized Stock Exchange(s)	YES		
vii)	Name, Address and contact details of Registrar & Transfer Agents (RTA) if any : BIGSHARE SERVICES PRIVATE LIMITED Address: 1 st Floor, Bharat Tin Works Building,			

	Opp. Vasant Oasis Makwana Road, Marol, Andheri East, Mumbai Tel: 022- 62638200, 62638204 Fax: 022-62638299 Email Id: babu@bigshareonline.com
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II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Wholesale of metals and metal ores	4662	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES [No. of Companies for which information is being filled-1]

Sl. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	NIL				

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01 st April 2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual*									
Equity	-	44,99,800	44,99,800	99.99	44,99,800	-	44,99,800	73.23	(26.76)
FCPS	-	-	-	-	-	-	-	-	-

b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-	-
FCPS	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	-	44,99,800	44,99,800	99.99	44,99,800	-	44,99,800	73.23	(26.76)
(2) Foreign									
a)NRIs- Individuals	-	-	-	-	-	-	-	-	-
b)Other- Individuals	-	-	-	-	-	-	-	-	-
c)Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
E) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)= (A)(1) + (A)(2)	-	44,99,800	44,99,800	99.99	44,99,800	-	44,99,800	73.23	(26.76)
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-

b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
a) Bodies Corp.									
i) Indian	-	-	-	-	92,345	-	92,345	1.50	1.50
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-		-			
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	-	200	200	0.01	2,79,755	-	2,79,755	4.56	4.55

ii) Individual shareholders holding nominal share capital in excess of `2 lakh	-	-	-	-	12,40,100	-	12,40,100	20.18	20.18
c) Others (specify)	-	-	-	-	32,000	-	32,000	0.52	0.52
Sub-total (B)(2):-	-	200	200	0.01	16,44,200	-	16,44,200	26.76	26.75
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	200	200	0.01	16,44,200	-	16,44,200	26.76	26.75
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	45,00,000	100.00	100.00	61,44,000	-	61,44,000	100.00	

(ii) Shareholding of Promoter and Promoter Group:

S.N .	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
PROMOTER								
1	Mr. Het Ram	24,97,440	55.50	0	24,97,440	40.65	0	14.85
2	Mrs. Mithlesh Sharma	20,02,060	44.49	0	20,02,060	32.58	0	11.91
	Total (a)	44,99,500	99.99	0	44,99,500	73.23	0	(26.76)

PROMOTER GROUP								
1	Mrs. Raj Bala	100	0.00	0	100	0.00	0	0.00
2	Ms. Nandini Sharma	100	0.00	0	100	0.00	0	0.00
3	Mr. Atma Ram Sharma	100	0.00	0	100	0.00	0	0.00
	Total (b)	300	0.01	0	300	0.00	0	0.00
	Total (a+b)	44,99,800	100.00	0	44,99,800	73.23	0	

(iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

S. No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Het Ram				
	At the beginning of the year	24,97,440	55.50	24,97,440	55.50
	Decrease in Promoters shareholding due to allotment of 16,44,000 Equity Shares to public in Initial Public Offer dated October 03, 2018	NIL	NIL	NIL	(14.85)
	At the end of the year	24,97,440	24,97,440	24,97,440	40.65
2.	Mrs. Mithlesh Sharma				
	At the beginning of the year	20,02,060	44.49	20,02,060	44.49
	Decrease in Promoters shareholding due to allotment of 16,44,000 Equity Shares to public in	NIL	NIL	NIL	(11.91)

	Initial Public Offer dated October 03, 2018.				
	At the end of the year	20,02,060	24,97,440	20,02,060	32.58

(iv) **Shareholding Pattern of top ten Shareholders:**
(other than Directors, Promoters and Holders of GDRs and ADRs as on March 31st, 2019)

S. No.	Name	Shareholding at the beginning of the year		Shareholding at the end of the year		Net Changes During the year
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	Neeru Kalra	0	0.00	2,56,000	4.17	2,56,000
2	Praveen Kalra HUF	0	0.00	1,68,000	2.73	1,68,000
3	Mohan Lal Choudhary	0	0.00	1,56,000	2.54	1,56,000
4	Shubham Bhardwaj	0	0.00	1,48,000	2.41	1,48,000
5	Vinod Kumar	0	0.00	1,32,000	2.15	1,32,000
6	Sangeeta Choudhary	0	0.00	1,12,000	1.82	1,12,000
7	Anita Nanda	0	0.00	96,000	1.56	96,000
8	Manoj Kumar Jangir	100	0.00	80,100	1.30	80,000
9	Jyoti Portfolio Pvt Ltd	0	0.00	68,000	1.11	68,000
10	Akshit Nanda	0	0.00	36,000	0.59	36,000
	Total	100	0.00	12,52,100	20.38	12,52,000

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name	Shareholding		As on Date	Increase/ Decrease in Sharehol ding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares at the beginning / end of the year	% of Total shares of Company				No. of Shares	% of Total shares of Company
1.	Het Ram Sharma	24,97,440	55.50	24,97,440	(14.85)	Decrease in shareholding due to allotment of 16,44,000 Equity Shares to Public in Initial Public Offer dated October 03, 2018.	24,97,4 40	40.65
2.	Mithlesh Sharma	20,02,060	44.49	20,02,060	(11.91)	Decrease in shareholding due to allotment of 16,44,000 Equity Shares to Public in Initial Public Offer dated October 03, 2018.	20,02,0 60	32.58
3.	Shiv Kumar	NIL	NA	NIL	NIL	NA	NIL	NA
4.	Surender Sharma	NIL	NA	NIL	NIL	NA	NIL	NA
5.	Manoj Kumar Jangir	100	0.00	80,000	1.30	Increase in shareholding due to allotment of 80,000 Equity Shares in Initial Public Offer dated October 03, 2018.	80,100	1.30
6.	Rahul Kumar Bansal	NIL	NA	NIL	NIL	NA	NIL	NA

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment-

(In Rs. 000')

	Secured Loans excluding deposits	Unsecured Loans (Rs)	Deposits	Total Indebtedness (Rs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,19,755.00	Nil	Nil	2,19,755.00
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due		-	-	
Total (i+ii+iii)	2,19,755.00	Nil	Nil	2,19,755.00
Change in Indebtedness during the financial year				
* Addition	15,948.00			15,948.00
* Reduction		-	-	
Net Change	15,948.00	Nil	Nil	15,948.00
Indebtedness at the end of the financial year				
i) Principal Amount	2,35,695.00	-	-	2,35,695.00
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	2,35,695.00	Nil	Nil	2,35,695.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTM/ Manager	Total Amount
		Mr. Het Ram Mrs. Mithlesh Sharma (Managing Director) (Director)	

1	Gross salary	48,00,000 12,00,000 60,00,000		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - others, specify...			
5	Others, please specify			
	Total	48,00,000	12,00,000	60,00,000

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	Mr. Surender Sharma	Mr. Shiv Kumar	
	Fee for attending board committee meetings			
	Commission	30,000	26,000	56,000
	Others, please specify			
	Total (1)	30,000	26,000	56,000
2	Other Non-Executive Directors			
	Fee for attending board committee meetings			
	Commission			
	Others, please specify			

	Total (2)			
	Total (B)=(1+2)	30,000	26,000	56,000
	Total Managerial Remuneration	30,000	26,000	56,000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		(C)			
			CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		3,00,000	7,80,000	10,80,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		-	-
2	Stock Option	-		-	-
3	Sweat Equity	-		-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total		3,00,000	7,80,000	10,80,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2019.

REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

I. INDUSTRY STRUCTURE AND DEVELOPMENTS

Global economic activity continues to firm up. Global output is estimated to have grown by 3.7 percent in 2017, which is 0.1 percentage point faster than projected in the fall and ½ percentage point higher than in 2016. The pickup in growth has been broad based, with notable upside surprises in Europe and Asia. Global growth forecasts for 2018 and 2019 have been revised upward by 0.2 percentage point to 3.9 percent. The revision reflects increased global growth momentum and the expected impact of the recently approved U.S. tax policy changes.

The U.S. tax policy changes are expected to stimulate activity, with the short-term impact in the United States mostly driven by the investment response to the corporate income tax cuts. The effect on U.S. growth is estimated to be positive through 2020, cumulating to 1.2 percent through that year, with a range of uncertainty around this central scenario. Due to the temporary nature of some of its provisions, the tax policy package is projected to lower growth for a few years from 2022 onwards. The effects of the package on output in the United States and its trading partners contribute about half of the cumulative revision to global growth over 2018–19.

II. STRENGTH, WEAKNESS, OPPORTUNITIES AND THREATS

Strengths: Our management and employee team combines expertise and experience to outline plans for the future development of the company. Mr. Het Ram Sharma, our Promoter and Managing Director has significant industry experience and has been instrumental in the consistent growth of our company. He is supported by an experienced team of professionals. We believe that the knowledge and experience of our promoter and management enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhances the growth in the business.

Weaknesses: Our Company has had long standing business relationships with various customers. However, we have not entered into any specific contracts with these customers and we cater to them on an order basis. As a result, our customers can terminate their relationships with us without any notice and we may also fail to get new customers, which could materially and adversely impact our business which consequently impact our revenue because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce or delay orders. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of consistency in quality, price and delivery of the products that our Company supplies. Although we place a strong emphasis on quality, timely delivery of our products and availability of a variety range of our products, in the absence of long term contracts, any sudden change in the buying pattern of buyers could adversely affect the business and the profitability of our Company.

Opportunities: The company also aims to aggressively expand its current trading desk of Secondary Finish Steel and Prime Steel Products like Billets, Coils, Sheets, etc.

Threats: Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our

business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

III. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

PRODUCT WISE REVENUE BREAKUP

Amount in Rs. Lakhs

Product	2018-19	%	2017-18	%
Copper	9140.48	66.83	12130.60	86.11
Brass	369.88	2.70	1810.83	12.85
Aluminium	130.25	0.95	0.00	0.00
Zinc	3958.06	28.94	124.24	0.88
Dust	0.40	0.00	0.00	0.00
Steel	36.15	0.26	0.00	0.00
Iron	0.05	0.00	0.00	0.00
Plastic	18.74	0.14	21.75	0.15
Lead Metal	22.81	0.17		
Total	13676.8213	100.00	14087.42	100.00

IV. OUTLOOK

We intend to continue to provide high quality products to our clients and grow our business by leveraging our strengths and implementing the following strategies:

• Enhance customer base by entering new geographies

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the distribution reach of our products. Enhancing our presence in additional regions will enable us to reach out to a larger market. Further, our Company believes in maintaining long term relationships with our customers. We aim to achieve this by maintaining the high quality, timely delivery, competitive pricing and reliability of our products.

• Leveraging our Market skills and Relationships

This is a continuous process in our organization. We aim to enhance the growth by leveraging our relationships and further enhancing customer satisfaction. We plan to increase our customers by increasing the product & geographical base, maintaining our client relationship and renewing our relationship with existing buyers.

• Focus on quality

Our Company intends to focus on adhering to the quality of our offerings. This is necessary so as to make sure that we maintain the high quality standards for our offerings and get repeat orders from our customers. This will also aid us in enhancing our brand value and further increase the business.

V. RISKS AND CONCERNS

The Industry in which we operate is unorganized and fragmented with many small and medium-sized companies. Copper industry being a global industry, we face competition from various domestic and international players. We compete with other traders on the basis of service quality, price and reliability. We believe that the scale and scope of our operations allow us to meet our customers' requirements better than the smaller traders. Due to industry's fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company vis-a-vis the competitors.

VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

We had a proper and adequate system of internal control including internal financial control. We had an Audit Committee headed by a non-executive Independent Director, inter-alia to over see your company's financial reporting process, disclosures and reviewing the performance of statutory and internal auditors with management. The internal control system including financial control of the company, is monitored by an independent internal audit team, which encompasses examination/ periodic reviews to ascertain adequacy of internal controls and compliance to Company's policies. Weaknesses noted along with agreed upon action plans are shared with audit committee, which ensures orderly and efficient conduct of the business and effectiveness of the system of internal control. The audit function also looks into related party transactions, preventive controls, investigations, as well as other areas requiring mandatory review per applicable laws. The powers of the Audit Committee, inter-alia, include seeking information from any employee, obtaining outside legal or other professional advice, and investigating any activity of the Company within the committee's term of reference.

Our internal audit department verifies the information of the financial statement as well as the compliance with your Company's policies to maintain accountability and ensuring controls are in place to safeguard of all its assets and correctness of accounting records. The internal audit department shares regular updates regarding the work done, coverage, weaknesses noted and other relevant issues with appropriate management levels including Audit Committee. Observations/ weaknesses noted from time to time are suitably acted upon and followed up at different levels of management. The internal control is supplemented by an extensive program of audits and periodic review by the management.

VII. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

FINANCIAL ACHIEVEMENTS OF THE COMPANY

Amount in Rs. Lakhs

Particulars	As on March 31 st			
	2019	2018	2017	2016
Share Capital	614.40	450.00	450.00	450.00
Reserves & Surplus	720.43	352.89	258.63	203.42
Net Worth	1,334.83	802.89	708.63	653.42
Total Income	13,687.24	14,115.52	12,730.96	13,654.76
PAT	104.51	94.26	55.21	31.62

VIII. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES. INDUSTRIAL RELATIONS FRONT. INCLUDING NUMBER OF PEOPLE EMPLOYED

Our team, committed to offer and supply quality Copper Scrap, Aluminum Scrap, is managed by highly experienced professionals who possess sound experience of industry and undertake all assignments to carry out on time. Our employees are not members of any unions and we have not entered into any collective bargaining agreements with them. We have not experienced any work stoppages or action by or with our employees and we consider our relationship with our employees to be good.

CEO/CFO CERTIFICATION

To,
The Board of Directors
Rajnandini Metal Limited
3E/17, B.P., N.I.T, Faridabad-121001

Dear Sirs,

We have reviewed financial statements and the cash flow statement for the year ended 31st March 2019 and to the best of our knowledge and belief that:

- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- iii. No transactions entered into by the Company during the above said period which are fraudulent, illegal or volatile of the company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and Audit Committee that:

- iv. Significant changes in internal control over financial reporting during the year;
- v. Significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and
- vi. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
(Het Ram Sharma)
Managing Director
DIN: 02925990

Sd/-
(Manoj Kumar Jangir)
Chief Financial Officer

Place: Faridabad
Date : July 01, 2019

INDEPENDENT AUDITORS' REPORT

To
The Members of
Rajnandini Metal Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Rajnandini Metal Limited** ('the Company') which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and Notes to financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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, 2019, its profit and total comprehensive income, changes in equity and its cash flows for the year 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No	Key Audit Matter	Auditor's Response
1	Revenue Recognition on Sale of Ferros and Non Ferros Metal Scrap	<u>Principal Audit Procedures</u>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Chairman's Statement, Management Report, , Board's Report including Annexures to Board's Report, , Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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 during the course of our 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 report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism 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 the 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to information and explanations given to us, we give in "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 of the aforesaid Financial Statements.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Company as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule-V to the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the information and explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 30 to the financial statements.
 - ii. We are explained that the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. We are explained that there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SANMARKS & ASSOCIATES
Chartered Accountants
Firm's Regn. No. 003343N

NARESH KUMAR AGGARWAL
Partner
Membership No.: 087351

Place : Faridabad
Date : 29.05.2019

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Rajnandini Metal Limited of even date)

We report that:

i) In respect of the Company’s fixed assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) We are explained that the management has carried out the year end physical verification of majority of fixed assets. In our opinion, the frequency of physical verification is reasonable having regard to the size and nature of operations of the Company, According to the information and explanations given to us, no material discrepancies were noticed on such verification.

ii) (a) As explained to us, physical verification of inventory (except material in transit and lying with third parties) has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion the Company is maintaining proper records of inventories. As far as we could ascertain and according to the information and explanations given to us, no material discrepancies were noticed on physical verification of the inventories as compared to book records.

iii) As explained to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Thus, paragraph 3(iii) of the Order is not applicable to the Company.

iv) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

v) We are informed that the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

vi) According to the information and explanations given to us, in respect of statutory dues:

- a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities and there were no arrears as at 31st March 2019 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax and GST which have not been deposited on account of any disputes.
- vii) The company has not defaulted in repayment of dues to financial institutions and banks.
- viii) The Company has neither raised money by way of initial public offer or further public offer (including debt instruments) and term loans nor applied the previously raised loans, if any, during the year under report. Accordingly, provisions of clause 3 (ix) of the Order are not applicable to the Company.
- ix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- x) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xi) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 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.
- xiii) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xiv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and accordingly para 3 (xv) of the Order is not applicable.
- xv) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For SANMARKS & ASSOCIATES
Chartered Accountants
Firm's Regn. No. 003343N

NARESH KUMAR AGGARWAL
Partner
Membership No.: 087351

Place : Faridabad
Date : 29.05.2019

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Rajnandini Metal Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Rajnandini Metal Limited** (“the Company”) as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by ICAI and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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

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 and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SANMARKS & ASSOCIATES
Chartered Accountants
Firm's Regn. No. 003343N

NARESH KUMAR AGGARWAL
Partner
Membership No.: 087351

Place : Faridabad
Date : 29.05.2019

RAJNANDINI METAL LIMITED

BALANCE SHEET AS AT 31st MARCH, 2019

(Rs. in '000)

Particulars	Note No	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
I ASSETS				
(1) Non-current asset				
(a) Property, Plant and Equipment	5	65,886	5,747	6,955
(b) Capital Work in progress		9,452	-	-
(c) Intangible Assets		13	2	3
(d) Deferred Tax Assets (Net)	6	29	421	-
(e) Other non-current assets	7	968	-	-
Total non-current assets		76,348	6,170	6,958
(2) Current Asset				
(a) Inventories	8	75,476	51,788	60,109
(b) Financial Assets :				
(i) Trade Receivable	9	201,917	247,998	339,079
(ii) Cash and cash equivalents	10	1,906	1,301	294
(iii) Other bank balances	11	12,500	12,500	13,000
(iv) Loans & Advances	12	25,647	59,820	3,437
(v) Acc Interest on FDRs	13	10	-	76
(c) Other Current Assets	14	7,403	2,927	625
Total current assets		324,859	376,334	416,620
Total Assets		401,207	382,504	423,578
II EQUITY & LIABILITIES				
EQUITY				
(a) Equity share capital	15	61,440	45,000	45,000
(b) Other equity	16	72,043	35,288	25,863
Total Equity		133,483	80,288	70,863
LIABILITIES				
(1) Non current liabilities				
(a) Financial liabilities				
(i) Borrowings	17	18,089	-	2,889
(ii) Provisions	18	1,356	1,287	-
(iii) Deferred Tax Liabilities (Net)		-	-	93
Total non-current liabilities		19,445	1,287	2,982
(2) Current liabilities				
(a) Financial liabilities :				
(i) Borrowings	19	235,695	219,756	221,259
(ii) Trade payables		-	-	-
(a) total outstanding dues of micro enterprises and small enterprises		-	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	20	12,087	79,213	128,052
(iii) Other Financial Liabilities	21	-	1,517	-
(b) Other current liabilities	22	497	443	422
Total current liabilities		248,279	300,929	349,733
Total Equity and Liabilities		401,207	382,504	423,578

Significant Accounting Policies

4

The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached
For SANMARKS & ASSOCIATES
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

(Naresh Kumar Aggarwal)
Partner

FRN : 003343N, M.No. : 087351

(Het Ram)
Director
(DIN 02925990)

(Mithlesh Sharma)
Director
(DIN 06810394)

Place : Faridabad
Date : 29.05.2019

(Manoj Kumar Jangir)
Chief Financial Officer

(Rahul K.Bansal)
Company Secretary

RAJNANDINI METAL LIMITED

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

(Rs. in '000)

Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
INCOME			
Revenue from operations	23	1,367,682	1,408,742
Other Income	24	1,042	2,809
Total Income		1,368,724	1,411,551
EXPENSES			
Purchase of Stock in Trade		1,332,617	1,355,597
Changes in inventories	25	(23,688)	8,321
Employee Benefit Expenses	26	8,821	5,605
Finance Costs	27	18,143	18,201
Depreciation and amortization expense	5	1,414	1,310
Other expenses	28	16,017	8,416
Total Expenses		1,353,324	1,397,450
Profit / (Loss) before tax		15,400	14,101
Less : Tax Expenses			
- Current tax		4,557	5,190
- Deferred tax		392	(514)
- Mat Credit		-	-
Total Tax Expenses		4,949	4,676
Profit / (Loss) from continuing operations		10,451	9,425
Total comprehensive income for the year		10,451	9,425
Earnings per equity share of face value of Rs. 10 each			
(i) Basic (in Rs.)	29	1.98	2.09
(ii) Diluted (in Rs.)	29	1.98	2.09

Significant Accounting Policies

4

The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached
For SANMARKS & ASSOCIATES
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

(Naresh Kumar Aggarwal)
Partner
FRN : 003343N, M.No. : 087351

(Het Ram)
Director
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(Mithlesh Sharma)
Director
(DIN 06810394)

Place : Faridabad
Date : 29.05.2019

(Manoj Kumar Jangir)
Chief Financial Officer

(Rahul K.Bansal))
Company Secretary

RAJNANDINI METAL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

(Rs. in '000)

	Year Ended 31-03-2019 Amount (Rs)	Year Ended 31-03-2018 Amount (Rs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	15,400	14,101
<u>Adjustments for :</u>		
Depreciation and amortization expenses	1,414	1,310
Finance Costs	18,143	18,201
Interest received	(948)	(2,798)
Changes in Liabilities to Erstwhile personnel	-	-
Operating Profit before working capital changes	34,009	30,814
<u>Adjustments for working capital changes :</u>		
(Increase)/Decrease in Other non-current assets	(576)	(514)
(Increase)/Decrease in Inventories	(23,688)	8,321
(Increase)/Decrease in Financial-Non-current assets	-	-
(Increase)/Decrease in Financial-current assets	80,244	34,774
(Increase)/Decrease in Other current assets	(4,476)	(2,302)
Increase/(Decrease) in Trade payables	(67,126)	(48,839)
Increase/(Decrease) in Other-current Liabilities	54	21
Increase/(Decrease) in Provisions	69	1,287
Cash generated from Operations	18,510	23,562
Direct Taxes Paid	(4,949)	(4,676)
Net Cash flow from Operating activities	13,561	18,886
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including Intangible assets & CWIP	(71,013)	(101)
Interest received	948	2,798
Net cash used in Investing activities	(70,065)	2,697
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Share Capital	16,440	
Security Premium	26,304	
Proceeds / (repayment) of Borrowings	32,508	(2,875)
Finance Costs	(18,143)	(18,201)
Net cash from / (used in) financing activities	57,109	(21,076)
Net increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	605	507
Cash and Cash Equivalents at the beginning of the year (Refer Note 10 & 11)	13,801	13,294
Cash and Cash Equivalents at the end of the year (Refer Note 10 & 11)	14,406	13,801
	-	-

The accompanying notes form an integral part of the financial statements.

As per our Report of even date attached
For SANMARKS & ASSOCIATES
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

(Naresh Kumar Aggarwal)
Partner
FRN : 003343N, M.No. : 087351

(Het Ram)
Director
(DIN 02925990)

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Director
(DIN 06810394)

Place : Faridabad
Date : 29.05.2019

(Manoj Kumar Jangir)
Chief Financial Officer

(Rahul K.Bansal)
Company Secretary

RAJNANDINI METAL LIMITED

NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

1 COMPANY OVERVIEW

Rajnandini Metal Limited is a listed company engaged in carrying the business of manufacturing, trading or otherwise deal in the Steel, Iron, Iron Alloy, Castings, various metals, various kind of chemicals, furnace oils, petroleum products or other related products & fabricators, contractors, importers, exporters, stockist, agents, dealers, distributors, smelters, refiners, finishers, buyers or sellers or all kind of classess of ferros & non ferrous metals such as iron & steel, aluminium, tin, nickle, zinc led, copper, cooper continuous road, brass, solicon scrap and their products and to do all such activities related to such business having its registered office at 3E/17, BP, NIT, Faridabad (Hr.).

The financial statements were approved for issue by the Board of Directors in their meeting held on May 29, 2019.

2 BASIS OF PREPARATION AND PRESENTATION

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (the Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Up to the year ended March 31, 2018, the Company prepared its financial statements in accordance with the generally accepted accounting principles in India including accounting standards read with Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014 (hereinafter referred as 'Indian GAAP' or 'Previous GAAP').

Effective April 1, 2018, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101. First time adoption of Indian Accounting Standards, with April 1, 2017 as the transition date. The transition was carried out from Indian Accounting Principals generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3 USE OF ESTIMATES

The preparation of financial statements in conformity with Ind AS requires management to make adjustments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expense and related disclosure concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and underlying assumptions are reviewed on an ongoing basis and revised if management became aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements. Application of accounting policies that require critical accounting estimates involving complex and critical judgment is disclosed in notes to accounts.

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Property, Plant & Equipment and Depreciation

(a) The company has elected the option to continue the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the date of transition as per Ind AS 101. Property, plant and equipment are stated at original cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any.

(b) Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs to the item can be measured reliably.

RAJNANDINI METAL LIMITED

- (c) Depreciation on Building, Plant & Machinery and Computer is being provided on Straight Line Method.

Property, plant and equipment	Useful Life of Asset (In year) as per Schedule-II	Useful Life of Asset (In year) as adopted
Plant & Equipment	15	15
Vehicle	8	6 to 8
Office Equipment	10	5
Computer	3	3

- (d) Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
- (e) Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income' or 'Other Expenses' as the case may be.
- (f) Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

4.2 Impairment of Assets

- (a) Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. In such cases, the recoverable amount is determined for the Cash Generating units (CGU) to which the assets belongs . If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of asset.
- (b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or have decreased.

4.3 Revenue Recognition

Revenue from sales are recognised net of return on transfer of significant risk and rewards of the ownership to the buyer, which generally coincides with the delivery of goods to customers. Sale exclude GST.

4.4 Inventories

Inventories of goods traded - in has been valued at lower of "Cost" or "Net realizable value".

4.5 Taxation

(a) Current Tax

Current tax expense is recognized in statement of profit and loss based on current tax rate in accordance with the provisions of Income Tax Act, 1961.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current income taxes are recognized under "income tax payable" net of payments on account, or under "tax receivables" where there is a credit balance.

RAJNANDINI METAL LIMITED

(b) **Deferred Tax**

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

4.6 **Provisions, Contingent Liabilities and Contingent Assets**

Disclosure of contingencies as required by the Indian accounting standard is furnished in the Notes on accounts.

- (a) Provisions are made when (a) the Company has a present obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.
- (b) Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes. Contingent assets are not recognized. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset. Information on contingent liabilities is disclosed in the notes to the financial statement. A contingent asset is disclosed where an inflow of economic benefits is probable.

4.7 **Financial Instruments**

A Financial Assets

(a) Initial recognition and measurement

The company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Purchase and sale of financial assets are accounted for at trade date.

(b) Subsequent Measurement : Non-derivative financial instruments

(i) Financial assets carried at amortized cost (AC)

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

RAJNANDINI METAL LIMITED

B Financial liabilities

(a) Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings etc. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs, if any.

(b) Offsetting of Financial Liabilities

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

C Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

4.8 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.9 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of twelve months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

4.10 Cash Flow Statement

Cash flows are reported using indirect method as per Ind AS 7, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

4.11 Earning Per Share

Basic earnings (loss) per share are calculated by dividing the net profit or loss 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 or loss 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.

4.12 Segment Reporting

Company is in the business of trading in ferrous and non ferrous metal scrap. The company has single primary business segment and there is no separate reportable segment.

4.13 Fair Value Measurement

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

4.14 Standards issued but not yet effective

On March 30, 2019, the Ministry of Corporate Affairs notified the Ind AS 116 to be effective for annual period beginning on or after April 01, 2019.

The notification sets out the principles for the recognition, measurement, presentation and disclosure of leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

RAJNANDINI METAL LIMITED

5 Property, Plant and Equipment

(Rs. in '000)

Particulars	Gross carrying block				Depreciation / amortization				Net carrying block	
	As at March 31, 2018	Additions	Deduc- tions	As at March 31, 2019	As at March 31, 2018	For the Year	On Deductions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Land at IMT, Bawal (HR.)	-	57,185	-	57,185	-	-	-	-	57,185	-
Plant & Equipment	487	2,511	-	2,998	163	67	-	230	2,768	324
Vehicles	10,149	1,696	-	11,845	5,039	1,222	-	6,261	5,584	5,110
Office Equipments	564	119	-	683	320	87	-	407	276	244
Computer	516	37	-	553	447	33	-	480	73	69
Total	11,716	61,548	-	73,264	5,969	1,409	-	7,378	65,886	5,747

Intangible Assets

(Rs. in '000)

Particulars	Gross carrying block				Depreciation / amortization				Net carrying block	
	As at March 31, 2018	Additions	Deduc- tions	As at March 31, 2019	As at March 31, 2018	For the Year	On Deductions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Computer Softwares	72	16	-	88	70	5	-	75	13	2
Total	72	16	-	88	70	5	-	75	13	2

Capital work in progress

(Rs. in '000)

Particulars	Gross carrying block				Depreciation / amortization				Net carrying block	
	As at March 31, 2018	Additions	Deduc- tions	As at March 31, 2019	As at March 31, 2018	For the Year	On Deductions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Plant under installation	-	4,798	-	4,798	-	-	-	-	4,798	-
Building under construction	-	4,654	-	4,654	-	-	-	-	4,654	-
Total	-	9,452	-	9,452	-	-	-	-	9,452	-

RAJNANDINI METAL LIMITED

5 Property, Plant and Equipment

(Rs. in '000)

Particulars	Gross carrying block				Depreciation / amortization				Net carrying block	
	As at March 31, 2017	Additions	Deduc- tions	As at March 31, 2018	As at March 31, 2017	For the Year	On Deductions	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Plant & Equipment	487	-	-	487	125	38	-	163	324	362
Vehicles	10,149	-	-	10,149	3,935	1,104	-	5,039	5,110	6,214
Office Equipments	494	70	-	564	250	70	-	320	244	244
Computer	485	31	-	516	350	97	-	447	69	135
Total	11,615	101	-	11,716	4,660	1,309	-	5,969	5,747	6,955

Intangible Assets

(Rs. in '000)

Particulars	Gross carrying block				Depreciation / amortization				Net carrying block	
	As at March 31, 2017	Additions	Deduc- tions	As at March 31, 2018	As at March 31, 2017	For the Year	On Deductions	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Computer Softwares	72	-	-	72	69	1	-	70	2	3
Total	72	-	-	72	69	1	-	70	2	3

RAJNANDINI METAL LIMITED

6	Deferred Tax Assets (Net)	(Rs. in '000)		
	Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
	Deferred Tax Assets due to Depreciation	29	421	-
		29	421	-
	Deferred Tax Assets (Net)	29	421	-

6.1	The movement on the deferred tax account is as follows:	(Rs. in '000)		
	Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
	At the start of the year	421	(93)	(102)
	Credit/(Charge) to Statement of Profit and Loss	(392)	514	9
	At the end of the year	29	421	(93)

7	Other Non-Current Assets	(Rs. in '000)		
	Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
	(Unsecured and Considered Good)			
	Income tax receivable (Net of provision)	286		
	Security deposit	682	-	
	Statutory dues deposited under Protest	-	-	
	Total	968	-	

8	Inventories	(Rs. in '000)		
	Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
	Stock in Trade	75,476	51,788	60,109
	Total	75,476	51,788	60,109

9	Trade Receivable	(Rs. in '000)		
	Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
	Unsecured Considered Goods			
	Outstandig for a period exceding six months from the date they are due for	8,085	830	61,444
	Others	193832	247168	277635
		-		
		-		
	Total	201,917	247,998	339,079

10	Cash & Cash Equivalents	(Rs. in '000)		
	Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
	Cash on hand	1,252	991	121
	Balances with schedule banks:			
	In Current Accounts	654	310	173
	In Fixed Deposit Accounts having maturity less than 3 months	-		
	Total	1,906	1,301	294

RAJNANDINI METAL LIMITED

11 Other bank balances-Current	(Rs. in '000)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Bank deposits with original maturity more than 3 months but less than 12 months	12,500	12,500	13,000
Total	12,500	12,500	13,000

11.1 *Bank deposits are pledged with bank against Letter Of Credit Facility.

12 Loans & Advances	(Rs. in '000)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
(Unsecured and Considered Good)			
Advance to Suppliers	25647	54189	0
M/s. SN Cinema Advertising (P) Ltd	0	0	3437
Deposit with HSIIDC		5,631	-
Total	25,647	59,820	3,437

13 Other financial assets-Current	(Rs. in '000)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
(Unsecured and Considered Good)			
Acc Intt on FDR	10		76
Total	10	-	76

14 Other Current Assets	(Rs. in '000)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
(Unsecured and Considered Good)			
Additional Custom Duty Receivable	-	-	362
Vat/GST Receivable	3,724	-	263
Insurance Claim Receivable	3,679	2,927	
Total	7,403	2,927	625

15 Equity Share Capital	(Rs. in '000)				
Particulars	As at 31st March 2019		As at 31st March 2018		31.03.2017
	Number	Amount	Number	Amount	Amount
Authorized					
Equity Share of Rs. 10/- each	6500000	65,000	6500000	65,000	45,000
		-		-	
		65,000		65,000	45,000
Issued, Subscribed & Fully Paid up					
Equity Shares of Rs 10/- each fully paid up	6144000	61,440	4500000	45,000	45,000
		61,440		45,000	45,000

15.1 Reconciliation of share capital:

Particulars	As at 31st March 2019		As at 31st March 2018		31.03.2017
	Number	Amount	Number	Amount	Amount
Equity Shares at the beginning of the year	4500000	45,000	4500000	45,000	45,000
Add / (Less): Shares issued / (forfeited / buyback) during the year	1644000	16,440			
	-	-	-	-	
Equity Shares at the end of the year	6144000	61,440	4500000	45,000	45,000

15.2 The rights, preferences and restrictions attached to each class of shares:

The company has issued only one class of Equity Shares having the par value of Rs 10/- per share. Each shareholder is entitled to one vote per share.

RAJNANDINI METAL LIMITED

15.3 The details of shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March 2019		As at 31st March 2018		31.03.2017
	No. of Shares held	% of holding	No. of Shares held	% of holding	% of Holding
Het Ram	2497440	40.65%	2497440	55.50%	2497440 (55.50%)
Mithlesh Sharma	2002060	32.59 %	2002060	44.49 %	2002560(44.50%)

16 Other Equity

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Security Premium			
Opening Balance	-	-	
(+) Additions during the year	26,304	-	
(-) Utilized / transferred during the year	-	-	
	26,304	-	
Opening Balance	-	-	
(+) Additions during the year	-	-	
(-) Utilized / transferred during the year	-	-	
	-	-	
Retained Earnings			
As per last Balance Sheet	35,288	25,863	20,342
Add: Profit / (Loss) for the year	10,451	9,425	5,521
	45,739	35,288	25,863
	72,043	35,288	25,863

17 Borrowings-Current

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Secured*			
Yes Bank Car Loan/ Karnataka Bank Term Loan	752		
HDFC Bank Car Loan			2,889
Unsecured			
Loans from Related Parties	17,337	-	-
Total	18,089	-	2,889

17.1 *Secured by way of hypothecation and personal gurantee of director Sh. Het Ram.

18 Other Long Term Provisions- Non current

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Gratuity Payable	1,356	1,287	-
Total	1,356	1,287	

*Refer Note No. 33

19 Borrowings-Current

(Rs. in '000)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Secured*			
Overdraft Limit from Kartanaka Bank	190,133	169,910	171,265
LC Limit from Kartanaka Bank	45,123	49,846	49,994
Car Loan from YES Bank	439	-	-
Unsecured			
	-	-	
Total	235,695	219,756	221,259

RAJNANDINI METAL LIMITED

- 19.1** *Overdraft facility is secured by way of equitable mortgage of titled deeds of various properties belonging to Raj Bala, Mithlesh Sharma, Het Ram, Bhuri Devi i.e. H.No. 3E/17, BP, NIT, Faridabad, H.No. 382, Sector - 7A, Faridabad, Plot No. A-1211, Dabua Colony, H.No. 94, Block GP, Moury Enclave, Pitam Pura, Delhi, H.No. 307, Sector - 21C, Faridabad, H.No. 307, Sadhbhawna EWS Co.Op. Society, Sec - 46, Faridabad and pledge of term deposits belonging to Atma Ram Sharma of value 280.79 Lacs and personal guarantee of directors of the company Het Ram Sharma, Mithlesh Sharma and co. obligation of Smt. Raj Bala, Atma Ram Sharma and Mrs. Bhuri Devi

20 Trade Payables	(Rs. in '000)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Total Outstanding dues of micro and small enterprises	-	-	
Total Outstanding dues of other than micro and small enterprises	12,087	79,213	128,052
Total	12,087	79,213	128,052

Refer Note 31

21 Other Financial Liabilities-Current	(Rs. in '000)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
HDFC Bank Car Loan	-	1,517	-
Total	-	1,517	

22 Other Current liabilities	(Rs. in '000)		
Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Audit Fee Payable	68	37	29
Income Tax Payable (Net of provision)	-	62	13
Professional Fee Payable			15
Salary Payable	151		-
Electricity Provision	12		-
Statutory dues Payable	266	344	365
Total	497	443	422

23 Revenue from Operations		
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
Revenue from sale of Scrap	1,367,682	1,408,742
	1,367,682	1,408,742

24 Other Income	(Rs. in '000)	
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
Interest Income	948	2,798
Misc Income	94	11
	1,042	2,809

25 Changes in inventories	(Rs. in '000)	
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
Opening Stock		
Stock of Scrap	51,788	60,109
	51,788	60,109
Closing Stock		
Leasehold Plot Rights	75,476	51,788
	75,476	51,788
(Increase) / Decrease in inventories	(23,688)	8,321

RAJNANDINI METAL LIMITED

26 Employee Benefit Exp	(Rs. in '000)	
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
Salary	2,456	1,318
Director Remuneration	6,000	3,000
Provision for Gratuity	69	1,287
Employer Cont to ESI	47	
Employer Cont to PF	86	
Staff Welfare Exp	163	
	-	
	8,821	5,605

27 Finance Costs	(Rs. in '000)	
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
Interest on borrowings (Net)	18,143	18,201
	18,143	18,201

28 Other Expenses	(Rs. in '000)	
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
Legal & Professional Expenses	1,569	198
Conveyance & Travelling Expense	370	44
Share Issue Exp	821	-
Security Expenses	-	-
Power & Fuel	294	157
Repair Others	97	52
Business Promotion	69	30
Rates & Taxes	225	80
Directors' Sitting Fees	56	-
Payment To Auditors (Refer Note 26.1)	75	50
Communication Expenses	112	128
Advertisement	-	-
Printing & Stationary	69	24
Other Expenses	12,260	7,653
	16,017	8,416

28.1 Payment to Auditors	(Rs. in '000)	
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
Audit Fee	75	50
	75	50

29 Earning per Share		
Particulars	Year Ended 31-03-2019	Year Ended 31-03-2018
Profit / (Loss) attributable to Equity Shareholders	10,451	9,425
Weighted average number of Equity Shares of Rs. 10/- Each (No. of Shares)	6,144,000	4,500,000
Earning per Shares - (In Rs.)		
Basic	1.98	2.09
Diluted	1.98	2.09

RAJNANDINI METAL LIMITED

30 Based on the confirmations from the parties, who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), received so far with the company, no balance is due to Micro and Small Enterprises as defined under the MSMED Act, 2006 as at 31st March 2019 & 31st March 2018. Hence no further details as required by Notification dated 04-09-2015 issued by the Ministry of Corporate Affairs are applicable.

31 Balances appearing for Trade Payables, and loans & borrowings are subject to confirmation, reconciliation and adjustments, if any.

32 In the opinion of the Board and to the best of their knowledge and belief the value on realization of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in Balance Sheet and provision for all known liabilities has been made.

33 Related Party Disclosure

33.1 List of Key Management of Personnel

Name	Designation
Mr. Het Ram	Chief Executive Officer
Mr. Manoj Kumar Jangir	Chief Financial Officer
Mr. Rahul Kumar Bansal from 26.03.2018	Company Secretary
Mrs. Mithlesh Sharma	Director
Mr. Shiv Kumar	Additional Director
Mr. Surender Sharma	Addition Director

33.2 Compensation of Key Management Personnel/transactions with related parties (Rs. in '000)

Particulars	Current Year	Previous Year
Remuneration paid to Mr. Het Ram	4,800	2,400
Remuneration paid to Mrs. Mithlesh Sharma	1,200	600
Sitting Fees paid to Mr. Shiv Kumar	26	-
Sitting Fees paid to Mr. Surender Sharma	30	-
Salary to Manoj Kumar Jangir	780	660
Salary to Rahul Bansal	300	-
Rent Paid to Mrs. Mithlesh Sharma	1,800	840
Rent Paid to Mrs. Raj Bala	-	840
Interest on Loan paid to Nandini Sharma	1,160	900
Sale to Haryana Metal Traders	94,397	184,466
Purchase from Haryana Metal Traders	209,221	199,714

33.3 Loans to and from KMP

Mr. Het Ram (CEO) (Rs. in '000)

Particulars	Current Year	Previous Year
Unsecured Loans at beginning of the year	-	-
Unsecured Loan received from Het Ram	11,450	-
Repayment received	-	-
Interest charged	-	-
Interest received	-	-
Balance at end of the year including interest	11,450	-

* No interest is paid on the loan received.

34 Disclosure under Ind AS 108 – 'Company is in the business of trading in ferrous and non ferrous metal scrap. The company has sigle primary business segment and their is no seprate reportable segment.

35 The figures reported in financial statements have been rounded off to the nearest thousand of rupees.

36 Previous year figures have been regrouped, rearranged or reclassified where ever necessary.

RAJNANDINI METAL LIMITED

37 Information regarding Goods Traded

37.1 Description Ferrous Non Ferros Metals Scrap

Stock detail as on 31.03.2019

Qty in Kg

Item Name	Op. Stock	Purchase	Sales	Cl. Stock
Copper Ingot/Scrap/Wire	111,737.00	1,884,483.91	1,919,993.30	76,227.61
Brass Ingot/Scrap/Wire	1,346.00	110,836.20	112,182.20	-
Waste & dust plastic	-	80,464.65	80,464.65	-
Zinc		1,932,067.21	1,778,934.21	153,133.00
Plastic/Plastic Scrap	-	122,732.70	122,732.70	-
LSHS Fuel		5,070.00	-	5,070.00
Iron Scrap		487.00	487.00	-
Almunium		572,524.50	527,210.45	45,314.05

Stock detail as on 31.03.2018

Qty in Kg

Item Name	Op. Stock	Purchase	Sales	Cl. Stock
Copper Ingot/Scrap/Wire	131,662.00	3,205,064.00	3,224,989.00	111,737.00
Brass Ingot/Scrap/Wire	26,103.00	641,192.25	665,949.25	1,346.00
Waste & dust plastic	-	38,510.00	38,510.00	-
Zinc		67,236.00	67,236.00	-
Plastic/Plastic Scrap	-	289,572.00	289,572.00	-

38 Expected Credit Loss

For recognition of impairment loss on trade receivable and other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

39 Risk Management Framework

The Company's business is subject to various risk and uncertainties including financial risks. The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, market risk, interest rate risk, and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

39.1 Financial Risk

The Company's Board identified financial risks comprising liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk of interest rate through proven financial instruments.

39.2 Liquidity Risk

The Company requires funds primarily for short-term operational needs. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and provide liquidity for short-term need of the funds. Accordingly no liquidity risk is perceived.

RAJNANDINI METAL LIMITED

39.3 Maturity profile of financial Liabilities :

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

Particular	Less than 1 Year	1 to 5 Years	More than 5 years	Total
March 31, 2019				
Borrowings	235,695	18,089	-	253,784
Trade payables	12,087	-	-	12,087
Other financial liabilities	497	-	1,356	1,853
	248,279	18,089	1,356	267,724
March 31, 2018				
Borrowings	219,756	-	-	219,756
Trade payables	79,213	-	-	79,213
Other financial liabilities	1,960	-	1,287	3,247
	300,929	-	1,287	302,216

39.4 Market Risk

The Management does not envisage any major risks associated with pricing of its goods, since the same has already been fixed.

39.5 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument fluctuates because of changes in prevailing market interest rates. The Company's exposure to the risk due to changes in interest rates relates primarily to the Company's short-term borrowings. The Company constantly monitors the credit markets and revisits its financing strategies to achieve an optimal maturity profile and financing cost. During March 31, 2019 borrowings at fixed rate denominated in INR.

Particulars	As At March 31, 2019		As At March 31, 2018	
	Fixed Rate Borrowings	Floating Rate Borrowings	Fixed Rate Borrowings	Floating Rate Borrowings
Car Term Loan & Unsecured Loan	7,078	235,256		219,756
Interest Rate Sensitivities for Floating Rate Borrowings:				
Since interest rate of floating rate borrowings is subject to change from time to time of MCLR declared by RBI hence there is no requirement for calculating the interest rate sensitivity.				

39.6 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to any credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

39.7 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, if any, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings, trade and other payables, less cash and cash equivalents.

(Rs. in '000)		
Particular	0	0
Short term Borrowings	235,695	219,756
Net debts	235,695	219,756
Capital components		
Share capital	61,440	45,000
Reserves and surplus	72,043	35,288
Total capital	133,483	80,288
Capital and net debt	369,178	300,044
Gearing ratio (%)	64%	73%

RAJNANDINI METAL LIMITED

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the period when they availed facilities from bank.

40 Fair value measurement

40.1 Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note below

40.2 Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three lev

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year.

40.3 Categories of financial instruments and fair value thereof: (Rs. in '000)

Particulars	March 31, 2019		March 31, 2018	
	Carrying	Fair Value	Carrying	Fair Value
A. Financial Assets - Measured at Amortised Cost				
Cash and cash equivalents	1,906	1,906	1,301	1,301
Bank Balance other than cash and ca	12,500	12,500	12,500	12,500
Loans	25,647	25,647	59,820	59,820
Other Financial assets	10	10	-	-
Total	40,063	40,063	73,621	73,621
B. Financial Liabilities- Measured at Amortised Cost				
Trade Payables	12,087	12,087	79,213	79,213
Borrowings (Other than Debt Securitie	235,695	235,695	219,756	219,756
Other financial liabilities	-	-	1,517	1,517
Total	247,782	247,782	300,486	300,486

The management assessed that cash and cash equivalents and bank balances, trade receivables, other financial assets, certain investments, trade payables, borrowings and other current liabilities is considered to be equal to the carrying amounts of these items largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the year presented.

40.4 The Quantative disclosures of fair value measurement hierarchy for assets and liabilities as at March 31, 2019

(Rs. in '000)				
Particulars	Total (Carrying	Fair value measurement using		
		Quoted prices in (Level 1)	Significant (Level 2)	Significant (Level 3)
A.Financial Assets -Measured at Amortised Cost				
Cash and cash equivalents	1,906	-	1,906	-
Bank Balance other than cash and cash equivalents	12,500	-	12,500	-
Loans	25,647	-	25,647	-
Other Financial assets	10	-	10	-
Total	40,063	-	40,063	-
B.Financial Liabilities- Measured at Amortised Cost				
Trade Payables	12,087	-	12,087	-
Borrowings (Other than Debt Securities)	235,695	-	235,695	-
Other financial liabilities	-	-	-	-
Total	247,782	-	247,782	-

40.5 The Quantative disclosures of fair value measurement hierarchy for assets and liabilities as at March 31, 2018

(Rs. in '000)				
Particulars	Total (Carrying	Fair value measurement using		
		Quoted prices in (Level 1)	Significant (Level 2)	Significant (Level 3)
A.Financial Assets -Measured at Amortised Cost				
Cash and cash equivalents	1,301	-	1,301	-
Bank Balance other than cash and cash equivalents	12,500	-	12,500	-
Loans	59,820	-	59,820	-
Other Financial assets	-	-	-	-
Total	73,621	-	73,621	-
B.Financial Liabilities- Measured at Amortised Cost				
Trade Payables	79,213	-	79,213	-
Borrowings (Other than Debt Securities)	219,756	-	219,756	-
Other financial liabilities	1,517	-	1,517	-
Borrowings (Other than Debt Securities)	300,486	-	300,486	-

RAJNANDINI METAL LIMITED
Reg. cum Corp. Office: Village 3E/17, B.P., N.I.T, Faridabad - 121001
Ph: 0129-4074043
E-mail: info@rajnandinimetal.com
Website- www.rajnandinimetal.com
CIN: U51109HR2010PLC040255

ATTENDANCE SLIP
9th ANNUAL GENERAL MEETING – July 26, 2019

Members' Name and Address details	
Reg. Folio No.	
DP & Client No.	
No. of Shares Held	

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the 9th Annual General Meeting of the Company at its registered office at 3E/17, B.P., N.I.T, Faridabad – 121001 on Friday 26th July, 2019 at 2:00 P.M.

- A member/proxy wishing to attend the Meeting must complete this Attendance Slip before coming to the Meeting and hand it over at the entrance.
- If you intend to appoint a proxy, please complete the Proxy Form and deposit it at the Company's Registered Office, at least 48 hours before the Meeting.
- Please bring your copy of the Annual Report to the Meeting.

I record my presence at the
Ninth Annual General Meeting

Name of Proxy in BLOCK LETTERS

(If the Proxy attends instead of the Member)
Signature of Member/Proxy

Form No. MGT-11
Proxy Form

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

RAJNANDINI METAL LIMITED

Reg. cum Corp. Office: Village 3E/17, B.P., N.I.T, Faridabad - 121001

Ph: 0129-4074043

E-mail: info@rajnandinimetal.com

Website- www.rajnandinimetal.com

CIN: U51109HR2010PLC040255

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

I/We being the holder of _____ equity shares of Rajnandini Metal Limited _____ hereby appoint

1. Name: _____ E-mail: _____
Address: _____ Signature: _____ or failing him/her
2. Name: _____ E-mail: _____
Address: _____ Signature: _____ or failing him/her

as my/our **proxy** to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Friday, 26th July, 2018 at 02:00 PM and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No	RESOLUTIONS	Tick appropriately
ORDINARY RESOLUTION		
1.	To receive, consider and adopt the Audited Balance sheet as at 31st March, 2019, Statement of Profit and Loss and Cash flow statement for the year ended 31 st march, 2019 together with the report of Directors and Auditors thereon.	For/Against
2.	To appoint a Director in place of Mrs. Mithlesh Sharma (DIN: 06810394), who retires by rotation and being eligible offers herself for re-appointment	For/Against
3.	To appoint Statutory Auditor of the Company and fix their remuneration	For/Against
SPECIAL BUSINESS		
4.	To Approve contact/arrangement for material related party transactions with various related parties.	For/Against

Signed this.....day of2019.

Affix
Revenue
Stamp

Signature of shareholder(s)

Signature of Proxy holder(s)

Notes:

- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- 2. for the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Ninth Annual General Meeting.**

