

Business Responsibility Report

Your Directors are pleased to present the Business Responsibility Report of the Company for the Financial Year ended on 31st March, 2019.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY:

1	Corporate Identity Number (CIN) of the Company	L70109GJ1983PLC006460
2	Name of the Company	Ratnamani Metals and tubes Limited
3	Address of the Registered Office of the Company	17, Rajmugat Society, Naranpura Char Rasta, Ankur Road, Naranpura, Ahmedabad - 380 013, Gujarat
4	Website	http://www.ratnamani.com
5	Email id	info@ratnamani.com
6	Financial year reported	1st April, 2018 to 31st March, 2019
7	Sector(s) that the Company is engaged in (industrial activity code-wise):	
	Group	Class
	241	2410
	Sub Class	Description
	24106	Manufacture of tube and tube fittings of basic iron and steel
8	List three key products/services that the Company manufactures.	The Key products that the Company manufacture are as follows: - Stainless Steel Seamless & Stainless Steel Welded Tubes / Pipes - Nickel Alloy Seamless Tubes - Carbon Steel Welded Pipes - Alloy Steel Welded Pipes - Titanium Welded Tubes - External & Internal Pipes Coatings - Induction Bend
9	Total number of locations where business activity is undertaken by the Company :	The Company has its presence throughout the globe including its subsidiary Company namely "Ratnamani INC" located in the State of Delaware, Taxes (U.S.A.) and also through its agency offices. The major countries are USA, Europe, Africa, Japan, Saudi Arabia.
	(a) Number of International Locations (Provide details of major 5)	
	(b) Number of National Locations	The Company has currently its State of the Art manufacturing facilities located in Indrad, Chhatral and Kutch. The Registered Office of the Company is situated in Ahmedabad, Gujarat and the Branch Offices are situated in Mumbai and Delhi.
10	Markets served by the Company – Local/State/National/ International	The company served Local, State, National and International markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY:

1	Paid up Capital (INR)	₹ 934.56 Lacs
2	Total Turnover (INR)	₹ 2,75,490.32 Lacs
3	Total profit after taxes (INR)	₹ 25,293.21 Lacs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent ₹ 432.66 Lacs towards Corporate Social Responsibility (CSR) which constitutes 1.71% of Profit After Tax.
5	List of activities in which expenditure in 4 above has been incurred:-	a. Education of children in the Rural Area. b. Promotion of preventive Healthcare In the Rural Area. c. Rural Transformation. d. Enhancing Vocational Skills amongst women and children. e. Ensuring Environmental sustainability. f. Conservation of Ecology.

SECTION C: OTHER DETAILS:

- Does the Company have any Subsidiary Company/Companies?**
Yes, the Company has one Subsidiary Company in the State of Delaware in United States of America (U.S.A.) namely "Ratnamani Inc.".
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the Parent Company? If yes, then indicate the number of such subsidiary company(s)**
At present, the Subsidiary Company does not participate in the BR initiatives of the Company.
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] –**
We do not mandate our suppliers / traders to participate in the Company's Business Responsibility initiatives.

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility.

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the well-being of all employees
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect, and make efforts to restore the environment
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development.
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...	Y	N N o t e - 1	Y	Y	Y N o t e - 2	Y	R e f e r N	Y	R e f e r N
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	-	Y	Y	-	-	o t e - 3	Y	o t e - 4
3	Does the policy conform to any national / international standards? If yes, specify? (50 words) *	Y	-	-	Y	-	-	-	Y	-
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	-	-	Y	Y	-	3	Y	4

SECTION D: BR INFORMATION:

1. Details of Director/Directors responsible for BR

- Details of the Director/Director responsible for implementation of the BR policy/policies:

Sr. No.	Particulars	Details
1	DIN Number	00006354
2	Name	Prakash M. Sanghvi
3	Designation	Managing Director

- Details of the BR Head:

Sr. No.	Particulars	Details
1	DIN (If applicable)	00006178
2	Name	Jayanti M. Sanghvi
3	Designation	Whole Time Director
4	Telephone No.	079-27415501-04
5	Email I.D.	jayanti.sanghvi@ratnamani.com

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	-	-	Y	N	-		Y	
6	Indicate the link for the policy to be viewed online?	**	-	-	***	**	-		***	
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	-	Y	Y	-	-		Y	
8	Does the company have in-house structure to implement the policy/ policies?	Y	-	Y	Y	-	-		Y	
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	-	Y	Y	-	-		Y	
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y N o t e - 2	-	Y	Y	-			Y	

* Yes, the Policy confirm to National standards such as ISO 14001 and OHSAS

** http://www.ratnamani.com/investors_relations.html>Codes and Policies>Code>Code of Conduct

***http://www.ratnamani.com/investors_relations.html> Codes and Policies>Policy>CSR Policy

Note –1: The Company has a systematic process of assessing customer needs fulfilling them with innovative products and services. It also has a customer redressal system.

Note – 2: The policy is embedded in the Company's Code of Business conduct, HR Policies and various other HR Practices.

Note – 3: Compliance reports from designated employees which are discussed at every Board Meeting of the Company.

Note - 4: The Company has a track record of pioneering achievements, long experience and leadership position which has benefitted the current pipe industry at large in initiating dialogue with the government. However, no need for a formal policy has been felt.

a) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles					√				
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

Governance related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

- The BR performance of the Company is regularly monitored by the Company and reviewed by the Managing Director and respective Departmental Heads, at least once annually.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

- The Company has started publishing its Business Responsibility Report from the financial year 2016-17. The same can be accessed at the web link at http://www.ratnamani.com/investors_relations.html> Financials > Annual Report. The Business Responsibility Report forms a part of the Annual Report of the Company.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs /Others?

The Company is committed to do business with integrity and adhere to ethical business practices. It acts with integrity in all aspects of its business. The Company has a Code of Business conduct and a Vigil Mechanism Policy that are approved by the Board of Directors. These are applicable to all the Board Members and Senior Management. This highlights Ratnamani's commitment to ethical and transparent corporate governance practices. The philosophy of Ratnamani in relation to Corporate Governance is to ensure transparent disclosures and reporting that conforms fully to laws, regulations and guidelines, and to promote ethical conduct throughout the organisation with the primary objective of enhancing shareholders' value while being a responsible corporate citizen.

The code is available on the Company's website at its web address: [http://www.ratnamani.com/investors_relations.html /codes & policies /codeofconduct&www.ratnamani.com/investors_relations.html/codes & policies /policy/vigilmechanismpolicy](http://www.ratnamani.com/investors_relations.html/codes%20&%20policies/codeofconduct&www.ratnamani.com/investors_relations.html/codes%20&%20policies/policy/vigilmechanismpolicy).

Further, to strengthen company's commitment against workplace harassment, Ratnamani has come out with sexual harassment order in line with the Sexual Harassment of Women at Workplace Act, 2013, which is strictly governed and enforced across the organization.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The details of the complaints received and redressed during the year is as given below:

Particulars	Pending as on 31/03/2018	Received during 2018-19	Redressed during 2018-19	Pending as on 31/03/2019
Customer complaints	02	00	02	00
Investor complaints	00	02	02	00

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company's business activities comprise of manufacturing of Stainless Steel Pipes and Tubes and Carbon Steel Pipes and Induction Bend. It has incorporated social as well as environment concerns, risks and / or opportunities in each of these as under.

- All the units of the company are certified covering ISO 9001 (Quality management system) , OHSAS 18001 (Occupational Health and safety Assessment series) , ISO 14001 (Environment Management System)
- State of the art technologies in its pipe manufacturing and coating plants, includes installation of advanced machinery with green fuel type heat treatment furnace.
- We have installed 8 units of wind power mill. The recovery rate of energy from such fuels is 50-60 % (approx.).
- Solar roof panel facility has been used at Indrad Manufacturing Facility.
- CFL lights have been replaced to LED for power saving in the premises.
- Old technology air compressors by latest variable frequency driven energy efficient air compressor.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

The Company has procedures in place for sustainable sourcing. Further, suitability is even extended to suppliers / vendors. All requirements on various aspects such as Health & Safety and Environment protection are regularly audited and met.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

No.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Yes, the company has taken several steps to procure goods and services from local and small vendors in order to promote entrepreneurship among them. Some of these initiatives include.

- 80% sourcing of consumables as well as services are procured from local vendors
- An equal opportunity in form of employment is given to differently abled people, destitute women and people from weaker sections
- Opportunities are also been regularly given to the MSMEs / SMSEs

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Being a responsible corporate citizen, the company believes in "Reducing, Reusing and Recycling" principle. Some of the initiatives taken by our company are:

- Re-use of treated effluent water in gardening and other processes.
- Collection of rain water at plant premises and its storage at dedicated water pond.
- Use of vegetation and food waste in making compost which in turn is used in fertilization and making of manure for the garden.
- Hazardous wastes e.g. used oil, e-wastes, batteries, etc. are disposed off only to authorized recyclers.

Principle 3: Businesses should promote the well being of all employees

1. Please indicate the Total number of employees. – 2139
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis. – 1340
3. Please indicate the Number of permanent women employees. – 10
4. Please indicate the Number of permanent employees with disabilities – 14
5. Do you have an employee association that is recognized by management – N.A.
6. What percentage of your permanent employees is members of this recognized employee association? – N.A.
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Category	Percentage
a) Permanent Employees	78.50%
b) Permanent Women Employees	60.00%
c) Casual / Temporary / Contractual Employees	100.00%
d) Employees with Disabilities	90.00%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes, the company has mapped its internal and external stakeholders.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, the Company has identified the disadvantaged, vulnerable and marginalized stakeholders, namely the communities around its manufacturing sites and its workers, supervisory staff.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The company has identified the need of the communities spread around its significant area of business / manufacturing units for providing education to children in rural areas, promotion of preventive healthcare in rural areas, enhancing vocational skills amongst women and children, ensuring environmental sustainability, conservation of ecology, etc.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

There is no formal policy on Human Rights but the management style / work environment believes and practices the Human Rights within the Company.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

There have been no complaints regarding breach of human rights aspects in the reporting period.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ others.

The policy related to Principle 6 covers only the Company.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

No.

3. Does the company identify and assess potential environmental risks? Y/N

Yes, the Company have identified potential environmental risks and its impact.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

No, the Company has no project related to Clean Development Mechanism.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes.

- Re-use of treated effluent water in gardening and other processes.
- Collection of rain water at plant premises and its storage at dedicated water pond. The water pond's capacity is of 12,500 KL
- Use of vegetation and food waste in making compost which in turn is used in fertilization and making of manure for the garden
- Hazardous wastes e.g. used oil, e-wastes, batteries, etc. are disposed off only to authorized recyclers.
- Treated solid waste is also disposed of only to authorized land filling site.
- We have installed roof top solar system and wind power for renewable energy.

The Company has strong focus on clean technology, energy efficiency and renewable energy. Our renewable energy portfolio includes 27 MW based energy generation at various places in Gujarat.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the Emissions/Waste generated by the Company are within the permissible limits given by Central Pollution Control Board (CPCB)/State Pollution Control Board (SPCB) for the reporting period.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is associated / member of the following associations:

- Bombay Chamber of Commerce and Industry
- Gujarat Chamber of Commerce and Industry
- Ahmedabad Management Association
- Process Plant and Machinery Association of India
- Federation of Industries of India
- Federation of Kutch Industries Associations

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Although, the Company is member of the Associations, it has not lobbied in the above areas.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, in compliance with the Corporate Social Responsibility ("CSR") Policy, company is working towards particular initiatives/programmes/projects in pursuit of inclusive development of Society, having specific focus on:

1. Education of children in rural areas :

Majority of people have understood the importance of Education but Quality Education and its Access is a major concern in rural areas thus; Ratnamani Education Campus started its journey for the people of Bechraji and surrounded areas with intention to enable them with education, which is affordable and Ratnamani is continuously working towards educating the students to make them grow holistically and meet with the requirements of the current industrial demands.

More than 1200 students have been imparted education every year in different disciplines. Apart from the quality of education the campus is well equipped with modern infrastructure, library, and science facility including its laboratories, Canteen facilities, Hostel facility, Sports facilities and playground which are surrounded by lush green garden.

2. Health and Sanitation:

Understanding the importance of Central Government's campaign of making India "Clean India and Green India", it pursues for the cleanliness and eradicating open defecation. We have already constructed 345 household sanitary complexes in 6 different villages namely Bhimasar (25), Satapar (15), Tapar (75), Indrad (65), Nenava Village (121) and Dhanot (44) till date.

3. Rural Transformation:

Our Company has been instrumental in transforming the village of Nenava located in Banaskatha district by building adequate roads and other basic infrastructural facilities. Company is helping various villages for deepening the ponds for conservation of rain water. Company works towards Promotion of Education by providing education material to the students, providing mid – day meal to students and conducting Welfare activities for abandoned kids. Our Company also facilitates the government schools in every possible way and have been striving to bring up the literacy ratio in the village.

4. Enhancing vocational skills amongst women and children:

Our Company has been continuously working towards empowering girls and women of the Nenava village by enhancing their vocational skills and making them employment ready. More than 300 females have been trained and benefitted under these Sewing and Embroidery, Mehdi, Art & Crafts, Gruh Udhog etc. Classes.

5. Ensuring Environmental sustainability / Conservation of Ecology :

Our Company also works in the area of Environment Sustainability and hence, till date has planted numbers of trees at various vicinities of our facilities and also maintains it. To save the bird "Sparrow" from getting extinct and create awareness and overall positive impact on the society on a large scale, our company has started and successfully running its own exclusive campaign called "Save the Sparrow". Till date more than 50000+ nests have been distributed in the region of Gujarat.

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?

CSR projects are being implemented either directly by the Company or through various implementing partners who respect and agree to our organisation's core CSR values. These efforts are being undertaken preferably in the local area and areas around our work centres sites. To effectively manage, monitor and implement CSR initiatives of the company, and in terms of provisions of Companies Act, 2013, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee as a sub-committee to the Board.

3. Have you done any impact assessment of your initiative?

The Company is regularly receiving feedbacks of various CSR activities carried out and undertakes timely assessments of implemented projects for ensuring their desired impact and continued sustenance.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The Company has spent ₹ 432.66 Lacs on CSR activities during the F.Y. 2018-19. Details of the same are mentioned in Annexure-"D" of the Directors' Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes, where we implement CSR projects, we ensure that the initiative is successfully adopted by the community.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

During the year under review, total nil customers complaints were received out of which nil Customers complaints are pending.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks(additional information)?

Yes, the detailed specifications are marked on the outer side of the product such as Company Name, Heat Number and Product's Grade, Length, Type of Pipe etc. are marked on the Pipes prior to dispatch.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.?

No case has been filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, we are carrying out customer survey by sending Customer Feedback Form periodically and are trying to improve based on their suggestions / feedback.