

UMIYA TUBES PVT. LTD

CIN : U28112GJ2013PTC074916

Incorporation Date : 07.05.2013

-: DIRECTORS :-

Beena P. Vaghela	(DIN : 03577571)
Surendrasinh P. Vaghela	(DIN : 06415080)
Bharatkumar P. Patel	(DIN : 06415080)
Saurabh R Patel	(DIN : 06964670)

-: Address:-

208, 2nd Floor, Suman Tower, Sector 11,
Gandhinagar, Gujarat, India, -382 011.

2nd Annual Report

-: Auditor :-

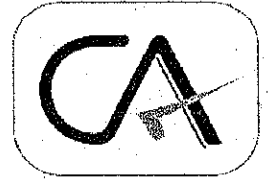
Pratirajsinh Raulji & Co.

Chartered Accountants

B-37, Electronic Estate, GIDC, Sector 25, Gandhinagar 382 025.

(M) 98243-16190

PRATIRAJSIKH RAULJI AND CO.
CHARTERED ACCOUNTANTS



AUDITOR'S REPORT

To,
The Members,
Umiya Tubes Pvt. Ltd.

Report On Financial Statements:

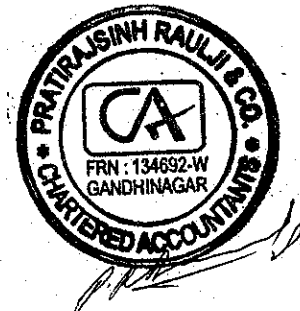
We have audited the accompanying financial statements of Umiya Tubes Pvt. Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory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

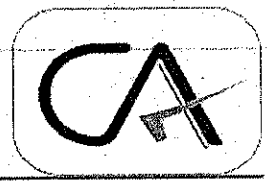
Management Responsibility For Financial Statements:

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.





An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

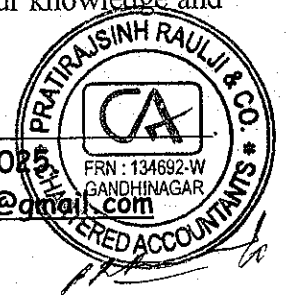
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

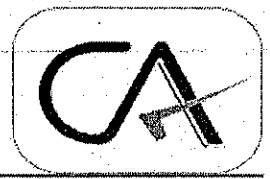
Report on other Legal & Regulatory Requirement

As required by the Companies (Auditor's Report) Order, 2015 ("The Order") issued by the Central Government of India in terms of sub- section (11) of section 143 of the Act, we give in annexure a statement on the matters specified in paragraph 3 and 4 of the Order to the extent applicable.

1. As required by section 143(3) of the Act, we report that:

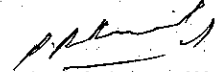
- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



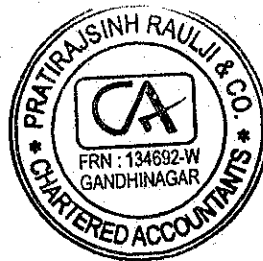


- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- As explained to us there is no pending litigation that affects the financial position of the company.
 - As explained to us the company has not entered into any long term contracts including derivatives contracts and hence no material foreseeable loss.
 - As explained to us no such amount is required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the companies act, 1956 and the rules made there under.

For & behalf of
Pratirajsinh Raulji & Co.
Chartered Accountants


Pratirajsinh Raulji
(Partner)
Mem. No. : 149089
FRN No. : 134692W

Place : Gandhinagar
Date : 27.08.2015



UMIYA TUBES PVT. LTD.
BALANCE SHEET AS ON 31ST MARCH, 2015

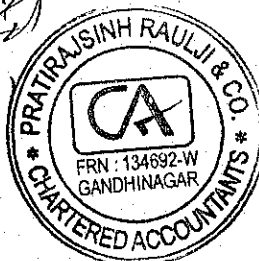
Amt in RS.

Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. EQUITY AND LIABILITIES			
(1) Shareholders funds			
(a) Share capital	1	7,500,000	4,000,000
(b) Reserves & surplus	2	1,611,399	(4,000)
(c) Money received against share warrents			-
		9,111,399	3,996,000
(2) Share application money pending allotment			
		-	-
		-	-
(3) Non-current liabilities			
(a) Long term borrowings	3	43,128,272	32,524,561
(b) Deffered tax liabilities (Net)			-
(c) Other long term liabilities			-
(d) Long term provisions			-
		43,128,272	32,524,561
(4) Current liabilities			
(a) Short term borrowings	4	20,796,356	1,956,474
(b) Trade payables	5	16,494,410	1,674,937
(c) Other current liabilities	6	1,735,284	736,350
(d) Short term provisions	7	434,619	4,000
		39,460,669	4,371,761
Total		91,700,340	40,892,322
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	38,913,136	33,463,352
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non current investment		-	-
(c) Deffered tax assets (net)		-	-
(d) Long term loans and advances		-	-
(e) Other non-current assets		-	-
		38,913,136	33,463,352
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	9	7,429,693	2,042,820
(c) Trade receivables	10	39,808,270	-
(d) Cash & cash equivalents	11	2,032,670	823,719
(e) Short term loans & advances	12	104,964	423,994
(f) other current assets	13	3,411,607	4,138,437
		52,787,204	7,428,970
III Misc expenditure not written off			
Significant Accounting Policies and Notes Forming part of accounts	23		
Total		91,700,340	40,892,322

AS PER OUR REPORT OF EVEN DATE
FOR PRATIRAJ SINH RAULJI & CO.
Chartered Accountants

(Pratirajsinh R. Raulji)
Partner
Mem. No. 149089
FRN No. 134692W

Place : Gandhinagar
Date :27.08.2015

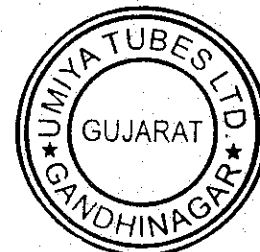


For & On behalf of the Board of Directors
Umiya Tubes Pvt. Ltd.

B. P. Vaghela
(Beena P. Vaghela)
(Director DIN : 03577571)

Bharat P. Patel
(Bharat P. Patel)
(Director DIN : 06562786)

Place : Gandhinagar
Date :27.08.2015



UMIYA TUBES PVT. LTD.
PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2015

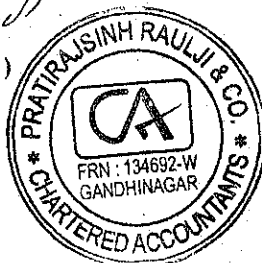
Amt.in Rs.

Sr.no.	Particulars	Note No.	Figures as at the end current reporting period	Figures as at the end of Previous reporting period
I.	Revenue from operations	14	82,285,542	-
II.	Other Income	15	1,205,131	-
III.	Total Revenue (I+II)		83,490,673	-
IV.	Expenses			
	Cost of material consumed	16	66,821,226	-
	Purchases of Stock-in-trade	17	5,524,379	-
	changes in inventories of finished goods work in-progress and stock-in-trade	18	(3,269,180)	-
	Employees Benefit expense	19	1,662,393	-
	Finance cost	20	4,534,762	-
	Depreciation and amortisation expenses	21	1,041,043	-
	Other expenses	22	7,060,651	4,000
	Total expenses		83,375,274	4,000
V.	Profit before exceptional and extraordinary items and tax Expenses (III-IV)		115,399	(4,000)
VI.	Exeptional item		-	-
VII.	Profit before extraordinary items and tax (V-VI)		115,399	(4,000)
VIII.	Extraordinary items		-	-
IX.	Profit before tax (VII-VIII)		115,399	(4,000)
X.	Tax Expense:		-	-
	(1) Current tax - MAT		(24,400)	-
	(2) MAT credit Entitlement		24,400	-
	(3) Deffered Tax Asset		-	-
XI.	Profit(Loss) for the period from continuing operations (IX-X)		115,399	(4,000)
XII.	Profit/(loss) from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations		-	-
	Profit/(loss) from discontinuing operations(after Tax) (XII-XIII)		-	-
XIV.	Profit(loss) for the period (XI+XIV)		115,399	(4,000)
XVI.	Earning per equity share			
	(1) Basic		0.15	(0.01)
	(2) Diluted		0.15	(0.01)
	Significant Accounting Policies and Notes forming part of accounts	23		

AS PER OUR REPORT OF EVEN DATE
 FOR PRATIRAJ SINH RAULJI & CO.
 Chartered Accountants

(Pratirajsinh R. Raulji)
 Partner
 Mem. No. 149089
 FRN No. 134692W

Place : Gandhinagar
 Date :27.08.2015

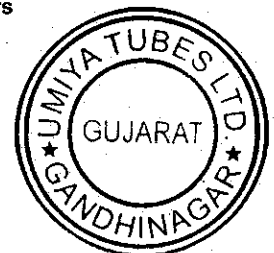


For & On behalf of the Board of Directors
 Umiya Tubes Pvt. Ltd.

B.P. Vaghela
 (Beena P. Vaghela)
 (Director DIN : 03577571)

Bharat P. Patel
 (Bharat P. Patel)
 (Director DIN : 06562786)

Place : Gandhinagar
 Date :27.08.2015



UMIYA TUBES PVT. LTD.

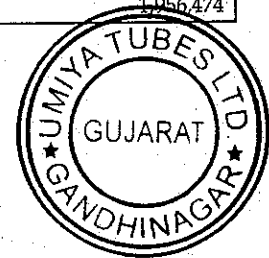
NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2015

NOTE 1 SHARE CAPITAL		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
AUTHORISED CAPITAL:-		
7,50,000 Equity Share of Rs. 10/- each.	7,50,000	
4,00,000 Equity Share of Rs. 10/- each in previous year		4,00,000
ISSUED Subscribed and paid up :- (Note No. C&D)		
7,50,000 Equity Share of Rs. 10/- each.	7,50,000	
4,00,000 Equity Share of Rs. 10/- each in previous year		4,00,000
	7,50,000	4,00,000

NOTE 2 RESERVE & SURPLUS		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Profit & Loss A/c.		
Opening Profit	(4,000)	-
Add Profit/loss during the year	115,399	(4,000)
Total (A)	111,399	(4,000)
Capital Subsidy (CLCSS) (Note No. H)	1,500,000	-
Total (B)	1,500,000	-
Total Reserve & Surplus	1,611,399	(4,000)

NOTE 3 NON CURRENT LIABILITIES LONG TERM BORROWINGS		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
NON CURRENT LIABILITIES		
Long Term Borrowings		
Secured Borrowings From Bank	20,765,990	19,945,600
Inter Corporate Deposits	2,838,701	-
Unsecured Borrowings From Promoters, Directors and relatives (Taken to fulfill the margin money condition of financing banker)	19,523,581	12,578,961
Total (A+B+C)	43,128,272	32,524,561

NOTE 4 CURRENT LIABILITIES SHORT TERM BORROWINGS		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
CURRENT LIABILITIES		
Secured Borrowings from Bank (CCH from Bank)	20,796,356	1,956,474
Total	20,796,356	1,956,474



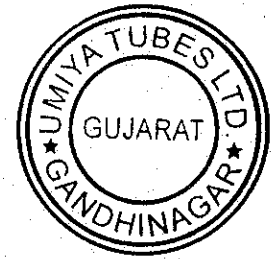
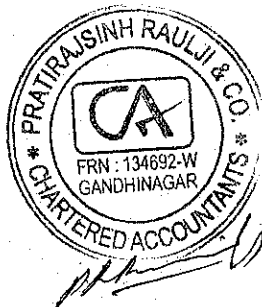
UMIYA TUBES PVT. LTD.

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2015

NOTE 5 TRADE PAYABLE		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Creditors For Expenditure	551,315	92,170
Creditors For Assets	2,977,822	1,558,751
Creditors For Goods	12,965,273	24,016
Total	16,494,410	1,674,937

NOTE 6 OTHER CURRENT LIABILITIES		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Transportation Contract SD (A)	700,000	700,000
<u>Duties & Taxes</u>		
Vat Payable	645,603	-
PF Payable	76,449	-
Professional Tax Payable	13,390	-
TDS Payable	93,787	20,442
Service Tax Payable	-	15,908
Total (B)	829,229	36,350
<u>Salary Payable</u>		
Salary Payable	206,055	-
Total (C)	206,055	-
Total (A+B+C)	1,735,284.00	736,350.00

NOTE 7 SHORT TERM PROVISIONS		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<u>Provision For Expenditure</u>		
Audit fees Provision	7,000	4,000
CS Fees Provision	3,000	-
Electricity Bill Payable	94,815	-
Lease Rent Payable	88,817	-
Interest on Cash credit payable	80,087	-
Authorised capital Increase Expenses payable	136,500	-
Mat payable	24,400	-
	434,619	4,000



B.P. Vaghela

M. M. M.

UMIYA TUBES PVT. LTD.

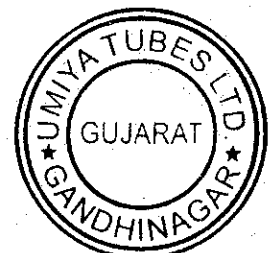
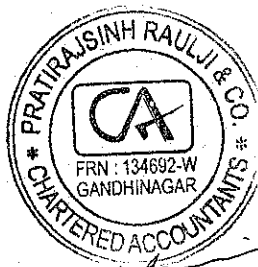
NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2015

NOTE - 9 INVENTORIES		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<i>(as verified, valued and certified by the management according to AS - 2)</i>		
Raw Material <i>(Raw Material Includes Coil, Packing material, Stores & Spares etc.)</i>	4,160,513	2,042,820
Finished Goods	3,269,180	-
	7,429,693	2,042,820

NOTE - 10 TRADE RECEIVABLE		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Trade Receivables <i>(Unsecured, Considered Good unless stated otherwise)</i>		
Outstanding for the period exceeding six month from the date they become due	571,939	-
Others Considered good	39,236,331	-
	39,808,270	-

NOTE - 11 CASH & CASH EQUIVALENTS		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Cash on hand (Taken and Certified by directors)	530,110	512,537
<u>Balance with Banks :</u> In Current Accounts with banks	1,502,560	311,182
	2,032,670	823,719

NOTE - 12 SHORT TERM LOANS & ADVANCES		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
<u>Short Term Advances (unsecured -considered good)</u>	104,964	423,994
	104,964	423,994



B.P. Vceghca

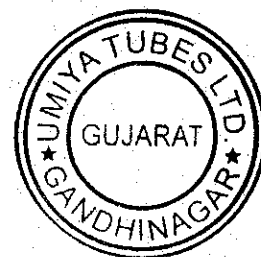
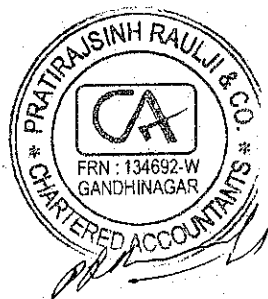
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UMIYA TUBES PVT. LTD.

NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2015

NOTE-13		
OTHER CURRENT ASSETS		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Excise Duty receivable	1,886,938	2,646,140
Service Tax Receivable	-	18,921
VAT Receivable	-	1,302,576
Total (A)	1,886,938	3,967,637
Security Deposits (B)	299,872	170,800
Others		
Interest Subsidy receivable	1,068,800	-
GEB Subsidy receivable	117,021	-
Prepaid Expenses	14,576	-
Mat Credit Retrivable	24,400	-
Total (C)	1,224,797	-
Total (A+B+C)	3,411,607	4,138,437

NOTE-14		
REVENUE FROM OPERATIONS		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Sale Of Product		
Finished Goods	86,145,791	-
Traded Goods	5,632,276	-
Revenue From Operations (Gross)	91,778,067	-
Less : Excise	9,492,525	-
Revenue From Operations (Net)	82,285,542	-



B.P. Vaghela

M. M. M.

UMIYA TUBES PVT. LTD.

NOTES FORMING PART OF PROFIT & LOSS A/C AS ON 31ST MARCH, 2015

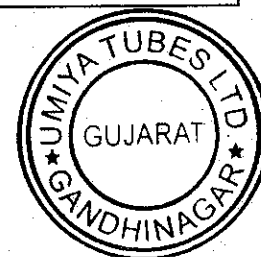
NOTE - 15 OTHER INCOME		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
GEB Subsidy on Electric Duty	117,021	-
Interest Subsidy	1,068,800	-
Kasar Account	19,310	-
Total (A+B-C)	1,205,131	-

NOTE - 16 COST OF RAW MATERIAL CONSUMED		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Opening Inventory	2,042,820	-
Add : Purchase	68,938,918	-
Less : Closing inventory	4,160,512	-
Total (A+B-C)	66,821,226	-

NOTE - 17 PURCHASE OF STOCK IN TRADE		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Purchase of Traded Goods	5,524,379	-
Total (A+B-C)	5,524,379	-

NOTE - 18 CHANGES IN INVENTORIES OF FINISHED GOODS		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Inventories at the beginning of the year	-	-
Less : Inventories at the end of the year	3,269,180	-
Net (Increase) in inventories of Finished goods	(3,269,180)	-

NOTE - 19 EMPLOYEES BENEFIT EXPENSES		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Salary Wages and Bonus	1,602,452	-
Contribution to Provident Fund	36,159	-
Staff Welfare Expenses	23,782	-
Total	1,662,393	-



B.P. V...

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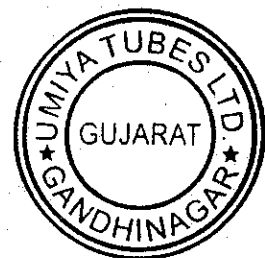
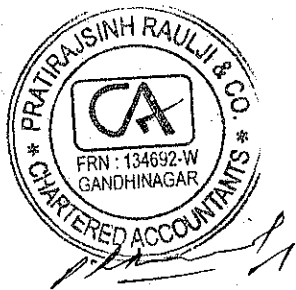
UMIYA TUBES PVT. LTD.

NOTES FORMING PART OF PROFIT & LOSS A/C AS ON 31ST MARCH, 2015

NOTE # 20 FINANCE COST		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Interest expenses	4,274,251	-
Bank Charges	9,660	-
Loan processing Charges	110,851	-
Authorised Capital Increase Exps	140,000	-
Total	4,534,762	-

NOTE # 21 DEPRECIATION & AMORTISATION COST		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Depreciation	1,041,043	-
Total	1,041,043	-

NOTE # 22 OTHER EXPENSES		
Particulars	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Consumption of Store & Spares, Packing Material & Gas	2,323,506	-
Freight & Transport	1,496,210	-
Power & Fuel	1,190,360	-
Lease Rent	106,750	-
Repairs	100,835	-
Insurance	82,577	-
Rates and Taxes Excl taxes on income	40,000	-
Factory expenses	74,956	-
Security Charges	92,810	-
Administrative Charges	1,164,861	-
Auditors Reuneration	7,000	4,000
Other Expenses	380,786	-
Total	7,060,651	4,000



B.P. Vaghela

M. M. M.

UMIYA TUBES PVT. LTD.

Additional information as required under Part IV of schedule VI to the Companies Act, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

Registration No.	U28112GJ2013PTC074916	State Code	04	Balance sheet	31.03.2015
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II Capital Raised during the year (Amount in Rupees)

Public Issue	NIL	Bonus Issue	NIL
Right Issue	3,500,000	Private Placement	NIL

III Position of Mobilisation and Deployment of Funds (Amount in Rupees)

Total Liabilities	Total Assets
91,700,340	91,700,340

Sources of Funds

Paid up Capital	Reserve & Surplus
7,500,000	1,611,399
Secured Loans	Unsecured Loans
20,765,990.00	22,362,282.00
Deferred Tax Liability	
-	

Application of Funds

Net Fixed Assets	Investment
38,913,136	NIL
Net Current Assets	Misc. Expenditure
13,326,535	-
Accumulated Losses	
NIL	

IV Performance of Company

Turnover	Total Expenditure
83,490,673	83,375,274
Profit & Loss Before Tax	Profit & Loss after Tax
115,399	115,399
Earning per share	Dividend Rate
0.15	NIL

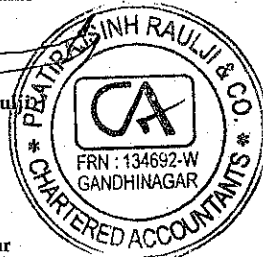
V Generic name of the Principal Products / Services of Company

Manufacturing of Stainless Steel pipes

AS PER OUR REPORT OF EVEN DATE
FOR PRATIRAJ SINGH RAULJI & CO.
Chartered Accountants

(Pratirajsinh R. Raulji)
Partner
Mem. No. 149089
FRN No. 134692W

Place: Gandhinagar
Date :27.08.2015

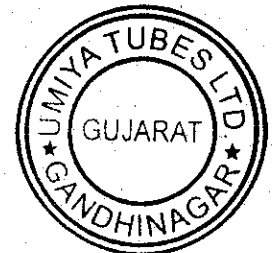


For & On behalf of the Board of Directors
Umiya Tubes Pvt. Ltd.

B.P. Vaghela
(Beena P. Vaghela)
(Director DIN : 03577571)

Bharat P. Patel
(Bharat P. Patel)
(Director DIN : 06562786)

Place : Gandhinagar
Date :27.08.2015



STATEMENT OF CASH FLOW

UMIYA TUBES PVT. LTD.

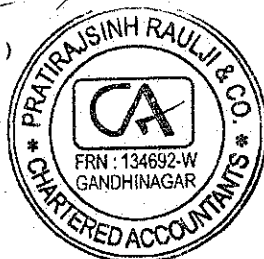
For The period ended on 31.03.2015

		Amt.(in Rs.)	
Sr. No.	Particulars	2014-15	2013-14
1	Cash Flow From Operating Activities		
	Net Profit before taxation and extra ordinary items	115,399	(4,000)
	Adjustment for :		
	Depreciation & Amortisation cost	1,041,043	
	Interest exps	4,534,762	
	Provision for audit Fees	-	4,000
	Operating Profit before working capital changes	5,691,204	-
	Decrease (Increase) in Trade Receivables	(39,808,270)	-
	Decrease (Increase) in Inventories	(5,386,873)	(2,042,820)
	Decrease (Increase) in Short Term Loan & Advances	319,030	(423,994)
	Decrease (Increase) in Other Current Assets	726,830	(4,138,437)
	Increase (Decrease) in Trade Payable	14,819,473	1,674,937
	Increase (Decrease) in other current liabilities	998,934	736,350
	Increase (Decrease) in Short term Provisions	430,619	-
	Cash Generated from operations	(22,209,053)	(4,193,964)
	Income Taxes Paid	-	
	Cash flow before extra ordinary items	(22,209,053)	(4,193,964)
	Cash flow from extra ordinary items	-	
	Net Cash flow from operating activities	(22,209,053)	(4,193,964)
2	Cash Flow From Investing Activities		
	Purchase of Fixed Assets	(6,490,827)	(33,463,352)
	Capital Subsidy Received	1,500,000	-
	Interest Received	-	-
	Dividend Received	-	-
	Net Cash From Investing Activities	(4,990,827)	(33,463,352)
3	Cash Flow From Financing Activities		
	Proceeds From Issue Of Share Capital	3,500,000	4,000,000
	Proceeds From Short Term Borrowings	18,839,882	1,956,474
	Proceeds from Long Term Borrowings	10,603,711	32,524,561
	Interest Paid	(4,534,762)	-
	Dividend Paid	-	-
	Net Cash Issued in financing activities	28,408,831	38,481,035
	Net Increase in cash and cash equivalents	1,208,951	823,719
	Cash & cash equivalents at the beginning of the period	823,719	-
	Cash & cash equivalents at the end of the period	2,032,670	823,719

AS PER OUR REPORT OF EVEN DATE
FOR PRATIRAJSIKH RAULJI & CO.
Chartered Accountants

(Pratirajsinh R. Raulji)
Partner
Mem. No. 149089
FRN No. 134692W

Place : Gandhinagar
Date :27.08.2015

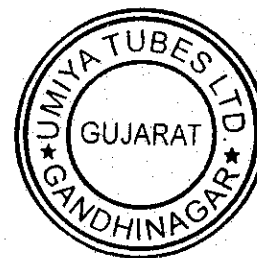


For & On behalf of the Board of Directors
Umiya Tubes Pvt. Ltd.

B.P. Vaghela
(Beena P. Vaghela)
(Director DIN : 03577571)

Bharat P. Patel
(Bharat P. Patel)
(Director DIN : 06562786)

Place : Gandhinagar
Date :27.08.2015



NOTES FORMING PART OF THE ACCOUNTS:

Note 23

1. SIGNIFICANT ACCOUNTING POLICIES:

(A) General:

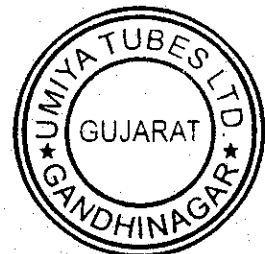
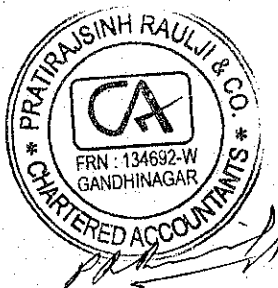
1. The accounts of the Company are prepared under the historical cost convention using the accrual method of accounting. However, insurance claims and other than cash compensatory incentives are accounted on the basis of receipt.
2. Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

(B) Use of Estimates:

The presentation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statement. The actual outcome may diverge from these estimates.

(C) Details of Shareholder holding more than 5% Equity shares in company:

Year	2014-15		2013-14	
	No. Of Shares	% held	No. Of Shares	% held
Bhikhaji K. Chavda	300000	40.00%	50000	12.50%
Bharatbhai P. Patel	280000	37.33%	180000	45.00%
Beena P. Vaghela	51000	6.80%	51000	12.75%
Saurabh R. Patel	40000	5.33%	40000	10.00%



B.P. Vaghela

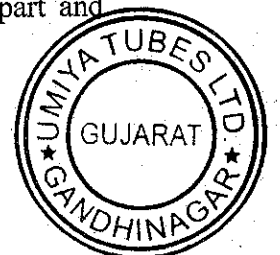
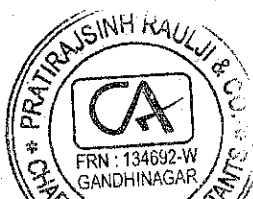
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(D) Reporting of Equity share outstanding at the beginning and at the end of the reporting period:

Particulars	2014-15	2013-14
(Figures are in lacs)		
At the beginning of the year	40	Nil
Add Issue During the Year	35 (Right Issue)	40
Outstanding at the end of the year	75	40
(Figures of shares are in numbers)		
At the beginning of the year	4,00,000	Nil
Add Issue During the Year	3,50,000	4,00,000
Outstanding at the end of the year	7,50,000	4,00,000

(E) Tangible assets:

1. The whole of the fixed assets are erected and installed on the NA land acquired by the company through registered perpetual lease deed with registrar of land Tal : Talod, Dist : Sabarkantha.
2. All Fixed assets are stated at cost, net of depreciation and impairment losses where ever applicable and also net of tax, duty credits availed if any.
3. Any expenditure is taken to capital expenditure only if it increases its future life and usefulness as compared to past estimates. All other day to day or other repairing expenditure is charged directly to statement of profit and loss account for the period in which they are incurred.
4. This is the first year when, any and/or all assets are put to use and so depreciation is claimed first time this year.
5. The company has borrowed fund from Vijaya Bank for purchase of Machinery and rest of the Fixed assets are generated by their own fund. Borrowing cost i.e. Interest on term loan for the month of April-14 is capitalized on prorates bases as per terms of AS 16.
6. In the head of fixed assets Machineries include tube mills, straightening machines, polishing machines, crane, lathe machine, welding machine, drilling machine, roll sets and many such other ancillary machines which are part and parcel of manufacturing plant.



7. Factory shed includes main factory shed, staff quarters, office premises, road, verandah, electric room, penal room, store room etc. other civil and fabricated structures etc.

(F) Intangible assets:

The company does not have any intangible assets till now.

(G) Depreciation:

Depreciation is calculated as per method given in schedule – II of the Companies Act 2013 on the straight line method on all assets from current year as this is the first year of put to use of all assets of the company. After considering the actual utilization time period of the machines along with total utilization of days, the management decided the percentage of utilization of machine and based on that depreciation is calculated.

Sr. No.	Major Head	Assets Included	Useful life
1	Computers	Computer & Software	3 Years
2	Plant & Machinery	Tube Mills, Tube Straitening Machinery, Pipe Polishing machine, Roll set, welding machine, Drill Machine etc.	20 years
3	Factory Shed & Building	Factory Shed	30 years

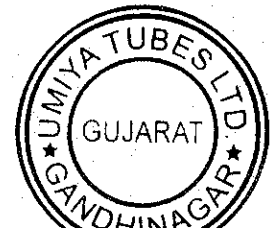
The company adhered to the life of the assets as given in Schedule II of the companies act and so no management assumption required.

(H) Investments:

There are no long term investments found in books of account under audit. The subsidy of Rs. 15 Lakh under scheme CLCSS received is lying with Vijya Bank due to lock in period of three years and the same is taken to capital reserve in the Balance Sheet.

(I) Inventories:

1. Inventories include raw material, work in progress, finished goods, scrap, packing material, store and spares, oil and gas etc. Inventories are valued at lower of the cost or net realizable value as required as per AS 2.



2. Cost of inventories includes cost of raw material, labour and proportionate direct manufacturing overheads based on normal production capacity.
3. Net realisable value is estimated selling price in ordinary course of business.

(J) Revenue:

1. The sales revenue is recognized on issuance of sales invoice and taken to sales excluding all taxes applicable to that sale. First production has been done by the company on 12.04.2014 than the company carried out trial and error in getting acceptable and marketable product and executed first sale on 20.05.2014. Than from July onwards company got good and growing sales turnover during the year.
2. Sales is taken net of taxes collected on behalf government like excise, vat etc. and so revenue from operation is net of all such taxes and cess.
3. Company received provisional sanction from government authorities for interest subsidy and it satisfied all conditions there in and so having not only reasonable but virtual certainty for receipt of same and so interest subsidy income is recognized as income for the period under audit.

(K) Excise duty Vat etc Tax items:

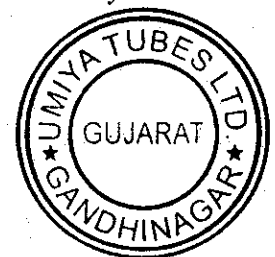
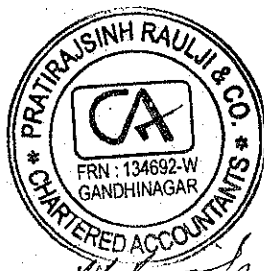
1. Excise duty is accounted as separate item of taxation liability and directly taken to this head at both sales and purchase time. Then, any payable is paid to government authorities on monthly or quarterly bases as per applicability.
2. The same system is followed for vat and service tax also.

(L) Employee Benefits:

1. This is the first year of company for production and sales or operation and all employee benefits which require to be paid to them are paid.

(M) Prior period and extraordinary items:

There are two prior period items which are accounted this year. One is office rent of for premises at Gandhinagar and second is lease rent of lease hold land used for factory erection and there are no extraordinary items in the current financial year.



(N) Preliminary expense or expenses to be written off.

Preliminary expenses are firstly booked under this head and will be written off as per IT act from the next financial year as the company has not started business in this year.

(O) Provisions and Contingent liabilities

1. Provisions are recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.
2. There is no contingent liability in the balance sheet of the company.

(P) Export benefits:

There is no export made by company during year under audit.

(Q) Foreign currency transactions:

There are no foreign currency transactions in the current financial year.

(R) Borrowing Cost:

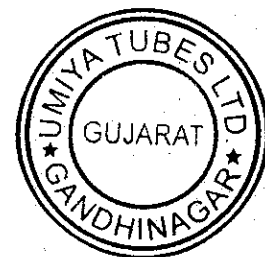
Interest on Term loan of Rs. 228567/- for the period of erection installation of machinery is capitalized and distributed between machineries as per AS 16.

(S) Impairment of Assets :

As this is being the initial stage of the company there is no impairment of assets is observed.

(T) Taxes on Income:

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is to be recognized, subject to the consideration of prudence in respect of deferred tax liability/assets, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. As this is being the first year and the company is at its initial stage, by using the prudence no deferred tax asset is created in books of accounts.



NOTES FORMING PART OF THE ACCOUNTS:

- Previous year's figures are regrouped rearranged wherever necessary.

- **Corporate Information:**

The company is registered private limited company duly registered with Registrar of Companies Gujarat with CIN number U28112GJ2013PTC074916 from 07.05.2013 and engaged in the business of manufacturing of stainless steel pipes with registered address at 207, 2nd Floor, Suman Tower, Sector-11, Gandhinagar, Gujarat, India Pin 382 011 and factory address at Survey No. 284/1,2,3 & 4, At. Toraniya, Post Ujediya, Ta. Talod, Dist. Sabarkantha, Gujarat, India Pin 383 215.

- **Secured Loans:**

Short Term/Long term Loans and Advances from Banks:

The company had taken working capital loan and term loan from Vijaya Bank. The working capital loan is secured by way of hypothecation of entire current assets (entire stock and book debts/receivable) of the company and the term loan is secured by way of mortgage/hypothecation of leasehold land, shed, machineries high speed heavy duty tube mill & other machineries to be used for mfg of SS pipes, tubes and other capital assets to be acquired out of term loan.

- **Unsecured Loans:**

- The company has taken unsecured loan from its promoters, directors and their relatives as required to be contributed by company as its own contribution against banks share of finance.

- **Others**

- As explained to us the provision of gratuity is not applicable to them as it is the very first year of operation of the company.
- The authorized share capital is 75.00 lakhs and the issued and paid up share capital is also Rs. 75.00 lakhs.
- All the balances in the balance sheet are as per books of accounts and are subject to third party confirmations and reconciliation.
- In the opinion of the board the current assets, loans & advances and other receivables have value on realization in ordinary course of business at least equal to the amount at which they are stated in the balance sheet.
- The Company has not proposed any dividend for the financial year 2014-15.



• **Auditors Remuneration:**

	2014-15 Rs.	2013-14 Rs.
For Statutory Audits	3000.00	3000.00
For taxation Matters	3000.00	3000.00
For Others	<u>1000.00</u>	<u>1000.00</u>
Total Fees	<u>7,000.00</u>	<u>7,000.00</u>

• **Disclosure regarding Relationship:**

(A) The following transactions were carried out with the related parties referred in above in the ordinary course of business.

Sr.	Particulars	Board of Directors	Relatives & Others
1.	Share Capital invested of	Rs. 37,70,000/-	37,30,000/-
2.	% of share contribution	50.26%	49.73%
3.	Rent Exp.	3,24,00/-	61,000/-
4.	Remuneration Exp.	NIL	NIL
5.	Interest Exp.	NIL	2,09,671/-

(B) **Relationship:**

(I) Subsidiaries of the Company:

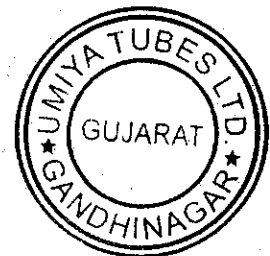
There is no subsidiary of the company.

(II) Holding Company

There is no holding company of this company.

(III) Associates Entities :

Company has not remained as associates of any company.

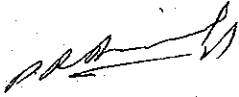


(IV) Key Management Personnel :

Beena P. Vaghela - Director
Surendrasinh P. Vaghela - Director
Bharatkumar P. Patel - Director
Saurabh R. Patel - Director

AS PER OUR REPORT OF EVEN DATE

FOR Pratirajsinh Raulji & CO.
Chartered Accountants


(Pratirajsinh Raulji)
Partner

Mem. No. 149089


FRN. No. 134692W

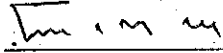
Place : Gandhinagar

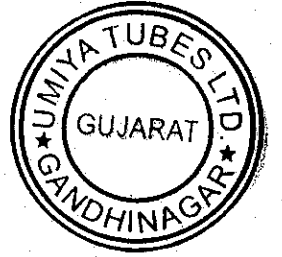
Date : 27.08.2015



For & On behalf of the Board of Directors
Umiya Tubes Pvt. Ltd.


(Beena P Vaghela)
(Director DIN : 03577571)


(Bharat P. Patel)
(Director DIN : 06562786)



Place : Gandhinagar

Date : 27.08.2015