



# UMIYA TUBES LIMITED

(CIN: L28112GJ2013PLC074916)

THIRD  
ANNUAL REPORT  
2015-16



**UMIYA TUBES LIMITED**  
**(CIN: L28112GJ2013PLC074916)**

**THIRD ANNUAL REPORT 2015 16**

<b>BOARD OF DIRECTORS</b>	:	Mrs. Beena P Vaghela (DIN: 03577571)	Chairperson & Director
		Mr. Surendrasinh P Vaghela (DIN: 06415080)	Managing Director
		Mr. Bharatkumar P Patel (DIN: 06562786 )	Whole Time Director
		Mr. Saurabhkumar R. Patel (DIN: 06964670)	Director & CFO
		Mr. Vikram G Patel (DIN: 07397444)	Independent Director
		Mr. Rajesh K Dave (DIN: 07398886)	Independent Director
		Mr. Mitesh G Patel (DIN: 07397651)	Independent Director
		Mr. Atul J Popat (DIN: 07323826)	Independent Director
<b>CHIEF FINANCIAL OFFICER</b>	:	Mr. Saurabhkumar R. Patel	
<b>COMPANY SECRETARY</b>	:	CS Ritendrasinh K Rathod	
<b>BANKERS</b>	:	Vijaya Bank Gandhinagar HDFC Bank Gandhinagar	
<b>STATUTORY AUDITORS</b>	:	M/s. Pratirajsinh Raulji & Co. Chartered Accountants Gandhinagar (For the year 2015-16)	
		P Singhvi & Associates Chartered Accountants Ahmedabad (Proposed for the year 2016-17)	
<b>PEER REVIEW AUDITOR</b> (For 2015-16)	:	M/s Mistry & Shah, Chartered Accountants Ahmedabad	
<b>SECRETARIAL AUDITOR</b>	:	M/s. Manoj Hurkat & Associates Practising Company Secretaries Ahmedabad	
<b>REGISTERED OFFICE</b>	:	208, 2 <sup>nd</sup> Floor, Suman Tower, Sector -11, Gandhinagar – 382011 (Gujarat)	
<b>ISIN</b> (for demat purpose)	:	INE173U01015	

**NOTICE**

NOTICE is hereby given that the **THIRD ANNUAL GENERAL MEETING** of the Members of **UMIYA TUBES LIMITED** will be held as scheduled below:

Date	: 29 <sup>th</sup> September, 2016
Day	: Thursday
Time	: 12.00 Noon
Place	: At the Registered Office: 208, 2 <sup>nd</sup> Floor, Suman Tower, Sector -11, Gandhinagar – 382011 (Gujarat)

to transact the following business:

**ORDINARY BUSINESS:**

1. To receive and adopt Audited Balance Sheet as on 31<sup>st</sup> March, 2016 and the Profit and Loss Statement for the year ended on that date together with all annexure and attachment thereto including the Auditor's report and the Directors' Report thereon and to pass following resolution, with or without modification, as an ORDINARY RESOLUTION:

**“RESOLVED THAT** the Audited Balance Sheet as on 31<sup>st</sup> March, 2016 and the Profit and Loss Statement for the Financial year ended on 31<sup>st</sup> March, 2016 together with all annexure and attachment thereto including the Directors' Report and Auditors' Report of the Company for the Financial year 2015-16 which have already been circulated to the Members and as laid before this meeting, be and the same are hereby approved and adopted.”

2. To appoint a Director in place of Mr. Surendrasinh P Vaghela (DIN: 06415080), who retires by rotation and being eligible, offers himself for re appointment and to pass following resolution, with or without modification, as an ORDINARY RESOLUTION:

**“RESOLVED THAT** the retiring Director, Mr. Surendrasinh P Vaghela (DIN: 06415080), be and is hereby reappointed as Director of the Company, liable to retire by rotation.”

3. To appoint Auditors in place of M/s Pratirajsinh Raulji & Co., Chartered Accountant and to pass following resolution, with or without modification, as an ORDINARY RESOLUTION:

**“RESOLVED THAT** pursuant to provisions of Section 140 (4) read with Section 139 and other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder, and as per the Special Notice received from the member of the Company, P. Singhvi & Associates, Chartered Accountant, Ahmedabad (FRN: 113602W), be and are hereby appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting (3<sup>rd</sup> AGM) till the conclusion of the sixth Annual General Meeting thereafter i.e. till the 8<sup>th</sup> Annual General Meeting in place of M/s. Pratirajsinh Raulji & Co., Chartered Accountants, Gandhinagar, who have expressed their unwillingness to continue as Statutory Auditors of the Company.

**RESOLVED FURTHER THAT** any one of the Directors of the Company be and is hereby authorised to fix their remuneration in consultation with the said Auditors and also to take all other actions as may be required in this regard.”

**Registered Office:**

208, 2<sup>nd</sup> Floor, Suman Tower, Sector-11,  
Gandhinagar - 382011 (Gujarat)

**Date: 25<sup>th</sup> May, 2016**

**CIN:L28112GJ2013PLC074916**

**By Order of the Board**

sd/-

**Beena P Vaghela**

**(DIN:03577571)**

**Chairperson & Director**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.**
2. **A person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. 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 proxy for any other person or shareholder.**
3. Pursuant to the provisions of SEBI (LODR) Regulations, 2015 and section 91 of the Companies Act, 2013, Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 22<sup>nd</sup> September, 2016 to Thursday, the 29<sup>th</sup> September, 2016 (both days inclusive).
4. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
5. Shareholders holding shares in dematerialized form should communicate the change of address, if any, to their Depository Participant and other who hold shares in physical form should communicate the change of address, to the Registrar and Share Transfer Agent of the Company at the following address:

Purva Sharegistry (India) India Pvt. Ltd.

Unit No. 9, Shiv Shakti Inds. Estate, J R Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai – 400011.

6. As a matter of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Therefore, Members are requested to bring their copies at Annual General Meeting.
7. Members/Proxies should bring their attendance slip duly filed in for attending the meeting.
8. The Notice of the 3<sup>rd</sup> AGM along with the attendance slip and proxy form are being sent by electronic mode to all the members whose email addresses are registered with Company/ Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
9. The Company, being listed on SME Exchange and in view of provisions of Rule 20 of the Companies (Management and Administration) Rules, 2014 is not required to provide remote e-voting facility to its members.
10. Additional information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchange in respect of the directors seeking appointment/reappointment at the AGM are furnished and annexed to the notice.

#### Details of Director/s Seeking Appointment/Re-appointment at the Annual General Meeting

<b>Particulars</b>	Mr. Surendrasinh P Vaghela(DIN: 006415080)
Date of Birth	20/05/1987
Date of Appointment	13/05/2013
Qualification	B. Com
Expertise in Specific functional areas	General Management, Marketing, Finance
Directorships held in other companies	- Naitik Infrastructure Private Limited - SNB Corporation Private Limited
Memberships/Chairpersonships of committees of Board	Member in Audit Committee
Number of shares held in the Company	2,00,000

#### EXPLANATORY STATEMENT IN RESPECT OF ITEM NO. 3 OF THE NOTICE:

M/s. Pratirajsinh Raulji & Co., Chartered Accountants, the existing auditors of the Company were appointed as Statutory Auditors of the Company at the 2<sup>nd</sup> AGM for holding the office from the conclusion of that 2<sup>nd</sup> AGM till the conclusion of the 7<sup>th</sup> AGM (Subject to ratification by the members at every subsequent Annual General Meetings).

However, M/s Pratirajsinh Raulji & Co., has shown their unwillingness to continue as Statutory Auditors of the Company for the financial year 2016-17 and onwards. Moreover, M/s Pratirajsinh Raulji & Co., was not the Peer Reviewed Auditor which is necessary for listed entities. Hence, the Company was availing services of Peer reviewed Auditor separately.

The Company has received a Special Notice u/s 140 (4) of the Companies Act, 2013 from a member of the Company for appointing M/s P Singhvi & Associates, Chartered Accountant, Ahmedabad as Statutory Auditor of the Company. M/s P Singhvi & Associates, Chartered Accountant, Ahmedabad are also the Peer Reviewed Auditors. Moreover, M/s P Singhvi & Associates, Chartered Accountant, Ahmedabad has given their consent to act as Statutory Auditor of the Company and also provided declaration that their appointment, if made shall be within the limit prescribed.

The Company needs to appoint the Statutory Auditor for a term of five years as per the applicable provisions of the Companies Act, 2013.

This statement shall be considered as circulation of Special Notice as received by the Company from a member for appointment of Statutory Auditors of the Company in place of existing Auditors.

Documents relating to this Agenda item are open for inspection at the Registered Office of the Company by members during normal business hours on all working days till the conclusion of Annual General Meeting.

None of the Directors, KMP or their relatives are in any way concerned or interested in this resolution.

The Board recommends the Ordinary Resolution set out on Item No. 3 of Notice for approval by members.

## DIRECTORS' REPORT

**To**  
**The Members**  
**UMIYA TUBES LIMITED**

Your Directors take pleasure in presenting the **THIRD** Annual Report of the Company together with the Audited Accounts for the financial year ended on 31<sup>st</sup> March, 2016.

### FINANCIAL SUMMARY/HIGHLIGHTS:

The brief financial results are as under:

	(Rs. in lacs)	
<b>Particulars</b>	<b>2015-16</b>	2014-15
Gross Income	<b>1456.82</b>	822.85
Profit/(Loss) before Depreciation and Tax	<b>74.53</b>	11.56
Less: Depreciation	<b>25.46</b>	10.41
Profit/(Loss) Before Tax and Extra Ordinary Items	<b>49.07</b>	1.15
Less: Extra Ordinary Items	-	-
Less: Current Tax	<b>9.35</b>	0.24
Deferred Tax	<b>44.56</b>	-
Add/Less: MAT credit Entitlement	<b>(9.35)</b>	(0.24)
Profit/(Loss) After Tax	<b>4.50</b>	1.15
Balance Carried to Balance Sheet	<b>5.61</b>	1.11

The turnover of the Company for the year 2015-16 has substantially increased from Rs. 822.85 Lacs to Rs. 1456.82 Lacs. Due to this, profit before Depreciation and Tax stands increased to Rs.74.53 Lacs as compared to profit of Rs. 11.56 Lacs in the last year.

### SUBSIDIARY COMPANIES/JOINT VENTURE COMPANY/ASSOCIATE COMPANY:

The Company does not have any Subsidiary Company or Joint Venture Company or Associate Company.

### MATERIAL CHANGES AND COMMITMENT:

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial year of the Company to which the financial statements relate and the date of the report except otherwise disclosed.

### REASONS FOR REVISION OF FINANCIAL STATEMENT OR REPORT:

During the year, the financial statement or report was not revised. Hence further details are not applicable.

### DIVIDEND:

In order to conserve resources, your Directors express their inability to declare any dividend.

### TRANSFER TO RESERVE:

Your Directors find it prudent not to transfer any amount to General Reserve.

### SHARE CAPITAL:

The Paid up Equity share capital of the Company as on 31<sup>st</sup> March, 2016 was Rs. 7.40 Crores divided into 74,00,000 Equity shares of Rs. 10/- each.

### SUCCESSFUL INITIAL PUBLIC OFFERING:

At the beginning of the financial year, the Company was an unlisted private Company. With effect from 1<sup>st</sup> October, 2015, the Company got converted into a Public Limited Company. The Company has made an Initial Public Offer of 20,00,000 Equity Shares of Rs. 10/- each for cash at par vide Prospectus dated 14<sup>th</sup> March, 2016. The Company has successfully completed the Initial Public Offering (IPO) in the current year pursuant to the applicable SEBI Rules and Regulations. The IPO opened on 18<sup>th</sup> March, 2016 and closed on 22<sup>nd</sup> March, 2016.

The IPO of the Company received an encouraging response from the investors and the public issue was oversubscribed. The Equity Shares of the Company have been listed on SME Platform of BSE Limited w.e.f 1<sup>st</sup> April, 2016.

**DIRECTORS & KEY MANAGERIAL PERSONNEL:**

During the year, the requirement of Key Managerial Personnel became applicable to the Company.

During the year, Mr. Bharatkumar R. Patel(DIN: 06562786) was appointed as Whole Time Director, Mr. Surendrasinh P Vaghela (DIN: 06415080) was appointed as Managing Director and Mr. Saurabhkumar R Patel (DIN: 06964670) was appointed as Chief Financial Officer of the Company w.e.f 1<sup>st</sup> January, 2016. Moreover, Mr. Ritendrasinh K Rathod was appointed as Company Secretary of the Company w.e.f 1<sup>st</sup> February, 2016.

Further Mr. Vikram G Patel (DIN: 07397444), Mr. Rajesh K Dave (DIN: 07398886), Mr. Mitesh G Patel (DIN: 07397651) and Mr. Atul J Popat (DIN: 07323826) were appointed as Independent Directors of the Company for a period of five years w.e.f 1<sup>st</sup> January, 2016

Pursuant to the provisions of Section 152 of the Companies Act, 2013 Mr. Surendrasinh P Vaghela (DIN: 06415080), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself to be re-appointed as director of the Company.

The Board recommends the re-appointment of Mr. Surendrasinh P Vaghela (DIN: 06415080) as Director of the Company liable to retire by rotation.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a 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 that period;
3. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors had prepared the annual accounts on a going concern basis; and
5. that the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. that 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.

**FORMAL EVALUATION BY BOARD OF ITS OWN PERFORMANCE:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (Clause 49 of the Listing Agreement to the extent applicable), the Board shall carry out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of Audit and Nomination & Remuneration Committees based on the criteria and framework adopted by the Board.

**NUMBER OF MEETINGS OF BOARD:**

The Board of Directors duly met 11 (Eleven) times.

**DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary Declaration from each Independent Director/s under section 149(7) of the Companies Act, 2013 that they meets the criteria of Independence laid down in section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS / SWEAT EQUITY SHARES / EMPLOYEE STOCK OPTION SCHEME:**

During the year, the Company has not issued any equity shares with differential voting rights or sweat equity shares or shares under employee stock option scheme. Hence disclosure regarding the same is not given.

**AUDITORS:**

M/s. Pratirajsinh Raulji & Co., Chartered Accountants, the existing auditors of the Company were appointed as auditors of the Company at the 2<sup>nd</sup> AGM for holding the office from the conclusion of that 2<sup>nd</sup> AGM till the conclusion of the 7<sup>th</sup> AGM (Subject to ratification by the members at every subsequent Annual General Meetings).

However, M/s Pratirajsinh Raulji & Co., has shown their unwillingness to continue as Statutory Auditors of the Company for the financial year 2016-17 and onwards and tendered their resignation. In view of his the Company has to appoint new Statutory Auditor of the Company. In this regard, the Company has received a Special Notice u/s 140 (4) of the Companies Act, 2013 from a member of the Company for appointing P. Singhvi & Associates, Chartered Accountant, Ahmedabad as Statutory Auditor of the Company. P. Singhvi & Associates, Chartered Accountant, Ahmedabad has given their consent to act as Statutory Auditor of the Company and also provided declaration that their appointment, if made shall be within the limit prescribed.

It is further provided that the Company shall place the matter relating to such appointment by members at annual general meeting. Hence the members are requested to consider the matter of appointment of Auditors made and also to fix their remuneration.

#### **AUDITORS' REPORT AND NOTES ON ACCOUNTS:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts. The observations comments and notes of Auditor are self explanatory and do not call for any further explanation /clarification.

#### **SECRETARIAL AUDIT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Manoj Hurkat & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure-1".

#### **AUDIT COMMITTEE:**

The Audit Committee was constituted in the Board Meeting held on 16<sup>th</sup> January, 2016 consists of the following Directors:

- |                               |          |
|-------------------------------|----------|
| 1. Mr. Rajesh K Dave          | Chairman |
| 2. Mr. Atul J Popat           | Member   |
| 3. Mr. Surendrasinh P Vaghela | Member   |

#### **NOMINATION & REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee was constituted in the Board Meeting held on 16<sup>th</sup> January, 2016. Composition of the Committee is as under:

- |                       |          |
|-----------------------|----------|
| 1. Mr. Rajesh K Dave  | Chairman |
| 2. Mr. Atul J Popat   | Member   |
| 3. Mr. Vikram G Patel | Member   |

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee was constituted in the Board Meeting held on 16<sup>th</sup> January, 2016. Composition of the Committee is as under:

- |                             |          |
|-----------------------------|----------|
| 1. Mr. Rajesh K Dave        | Chairman |
| 2. Mr. Atul J Popat         | Member   |
| 3. Mr. Saurabhkumar R Patel | Member   |

#### **RISK MANAGEMENT POLICY/PLAN:**

It may please be noted that as per the applicable requirement of the Companies Act, 2013 a risk management policy/plan of the Company is developed and implemented for creating and protecting the Shareholder's value by minimizing threats or losses and to identify and Provide a framework that enables future activities of a Company to take place in a consistent and controlled manner.

#### **VIGIL MECHANISM:**

The Company has a vigil mechanism for its directors and employees, to deal with instance of fraud/ mismanagement, if any and to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The details of the policy is hosted on the website of the Company.

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti Sexual Harassment measures in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. During the year, there were no complaints received under the said act.

**REMUNERATION POLICY:**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice. Extract of Remuneration Policy from Nomination and Remuneration policy is attached as Annexure - 4.

**ANALYSIS OF REMUNERATION:**

The details of remuneration paid to Directors and Key Managerial Personnel is given in extract of Annual Return attached with this report.

Disclosure/details pursuant to provisions of Section 197(12) of the Companies Act 2013 read with the Companies (appointment and Remuneration of managerial personnel) Rules, 2014 are given as follows:

<b>Names and Positions</b>	<b>[A] Ratio of Directors' Remuneration to the median Remuneration of Employees</b>	<b>[B] Percentage (%) increase in Remuneration</b>
Ms. Beena P Vaghela (Chairperson & Director)	Nil	Nil
Mr. Surendrasinh P Vaghela (Managing Director)	Nil	Nil
Mr. Bharatkumar P Patel (Whole Time Director)	Nil	Nil
Mr. Saurabhkumar R Patel (Director and CFO)	Nil	Nil
Mr. Vikram G Patel (Independent Director)	Nil	Nil
Mr. Rajesh K Dave (Independent Director)	Nil	Nil
Mr. Mitesh G Patel (Independent Director)	Nil	Nil
Mr. Atul J Popat (Independent Director)	Nil	Nil - -
The median remuneration of employees of the Company during the financial year was Rs. 1,05,600/- p.a.		
<b>[C] Percentage increase in the median Remuneration of Employees</b>	6.05%	
<b>[D] Number of permanent Employees on the rolls of Company</b>	30 (Thirty)	
<b>[E] Explanation on the Relationship between average increase in Remuneration and Company Performance</b>	If we compare the performance of the company with the previous year say F.Y. 2014-15 then there is an increase of 77% in income from operation and increase in PAT by 300% while there is an increase in staff cost by 70% as compared to last year. It shows the ability of management to take the effective production from the staff and also the staff satisfaction which emphasis on them to give maximum out of their capacity. Company have regular monitoring and evaluation system which gives regular reward to good, sincere obedient and intelligent workaholic employees and it motivates them and keeps them ready to give better every time to the company and this is the result of the same.	
<b>[F] Comparison of the Remuneration of the Key Managerial Personnel against the performance of the Company</b>	No remuneration was paid to the Key Managerial Personnel till 31.03.2016, still they worked very hard and almost doubled the turnover of the company and almost quadruple the PAT of the company and that is also even after the huge provision of Deferred Tax Liability. The equity shares of the company have listed on SME Platform of BSE Limited and the Company has also received the ISO Certification which itself indicates the dedication and effective management of KMP.	



[G]	<b>Variations in the Market Capitalisation of the Company as at 31<sup>st</sup> March, 2016 as compared to 31<sup>st</sup> March, 2015</b>	N.A. (as the shares of the Company were listed on 01.04.2016 on SME platform of BSE)	
[H]	<b>Price Earnings Ratio as at 31<sup>st</sup> March, 2016 as compared to 31<sup>st</sup> March, 2015</b>	N.A. (as the shares of the Company were listed on 01.04.2016 on SME platform of BSE)	
[I]	<b>Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer</b>	As on the date of Report, the market price of share is approx. Rs. 20 which is doubled from the IPO offer price of Rs. 10.	
[J]	<b>Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof</b>	N.A.(As there is no salary paid to NED and KMP during the year 2015-16 except to the Company Secretary w.e.f. 1 <sup>st</sup> February, 2016)	
[K]	<b>Comparison of the each KMPs Remuneration vis-a-vis the performance of the Company</b>		
	<b>Name of KMP</b>	<b>Remuneration of KMP (in Rs.)</b>	<b>Net Profit of Company</b>
	Ms. Beena P Vaghela (Chairperson & Director) Mr. Surendrasinh P Vaghela (Managing Director) Mr. Bharatkumar P Patel(Whole Time Director) Mr. Saurabhkumar R. Patel(Chief Financial Officer) Mr. Ritendrasinh K Rathod(Company Secretary)	Nil Nil Nil Nil Rs. 30000*	Net profit of the Company is Rs.4,50,280/- in the current financial year as compared to Rs. 1,15,399/- in the previous financial year.
	* Managing Director, Whole Time Director and Chief Financial Officer were appointed w.e.f 1 <sup>st</sup> January, 2016 and Company Secretary was appointed w.e.f 1 <sup>st</sup> February, 2016.		
[L]	<b>The key parameters for any variable component of remuneration availed by the directors</b>	No Remuneration paid to Directors during the year 2015-16	
[M]	<b>The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year</b>	Highest paid Directors Remuneration (I)  Nil	Remuneration of Ratio Employee receiving remuneration in excess of (I). (II) Nil Nil

**PARTICULARS OF EMPLOYEES:**

None of the employees of the Company is drawing remuneration requiring disclosure of information under Section 134 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

**REGULATORY ORDERS:**

During the year there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**CSR COMMITTEE:**

As the requirement of CSR Committee is not applicable to the Company, no further details/disclosure required to be given in this regard.

**DETAILS ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

<b>(A) Conservation of energy</b>	
(i) the steps taken or impact on conservation of energy	The company uses LED lamps/bulbs in the whole factory premises which save 30-40% electricity as compared to normal lamps/bulbs
(ii) the steps taken by the company for utilizing alternate sources of energy	NIL
(iii) the capital investment on energy conservation equipments	NIL
<b>(B) Technology absorption</b>	
(i) the efforts made towards technology absorption	<ol style="list-style-type: none"> <li>1. The company uses AC Drives for almost all Tube mills and it also saves around 30-40% of electricity as compared to DC Drives.</li> <li>2. The company started using inverter based welding machines instead of thyristor based welding machines to save energy.</li> <li>3. The company tried different composition of gases which ultimately found good quality and competitive cost of welding.</li> <li>4. The company also started polishing work with low RPM electric motors which reduced consumption of energy and polishing material to a huge extent.</li> </ol>
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	The quality of the product and cost of product has improved significantly.
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NIL
(iv) the expenditure incurred on Research and Development	As the company is new and at kid stage. it does not have separate R&D department but all motivated employees and KMPs always works for new ways and forms of doing work and saving cost and all energy saving and technology absorption benefits narrated above are the results of our R&D work only.
<b>(C) Foreign exchange earnings and Outgo</b>	
The Foreign Exchange earned in terms of actual inflows during the year and	<p>To find export business for the company, the team of company visited gulf countries in the month of July-Aug 2015.</p> <p>As it was the first attempt of marketing abroad no inflow took place but the company is still pursuing opportunities to export the products of the Company very soon.</p>
The Foreign Exchange outgo during the year in terms of actual outflows	The company has spend around 1250 USD on Foreign Visit

**INTERNAL FINANCIAL CONTROL:**

The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

**DEPOSITS:**

During the year under report, your Company has not accepted any deposits pursuant to Section 73 of the Companies Act, 2013. Hence further details are not given.

**CORPORATE GOVERNANCE:**

It may please be noted that as our Company is not falling in the applicability criteria prescribed in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Hence, the Report on Corporate Governance is not forming part of the Directors' Report.

**EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure -2"

**PARTICULARS OF LOANS, INVESTMENTS OR GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

There are no Loans, Investments or Guarantees /Security given by the Company during the year under section 186 of the Companies Act, 2013; hence no particulars are required to be given.

**RELATED PARTY TRANSACTION:**

There are no particulars of contacts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 which are required to be reported in the prescribed form AOC-2 which is appended as an "Annexure-3" to Director's Report. The details of related party transactions as per AS-18 are otherwise reported in the financial statements. The related party transactions are otherwise carried out in the ordinary course of business and on arms length basis and the same are in the best interest of the Company.

**APPRECIATION:**

Your Directors wish to place on record their sincere appreciation for significant contribution made by the employees at all the levels through their dedication, hard work and commitment, thereby enabling the Company to boost its performance during the year under report.

Your Directors also take this opportunity to place on record the valuable co-operation and continuous support extended by its valued business associates, Practicing Company Secretary, Auditors, Supplier, Customers, Banks / Financial Institutions, Government authorities and the shareholders for their continuously reposed confidence in the Company and look forward to having the same support in all its future endeavors.

Place : Gandhinagar  
Date : 25<sup>th</sup> May, 2016

By Order of the Board  
sd/-  
Beena P Vaghela  
(DIN:03577571)  
Chairperson & Director

## SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members of  
UMIYA TUBES LIMITED  
208, 2<sup>nd</sup> Floor, Suman Tower, Sector - 11,  
Gandhinagar - 382011

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by UMIYA TUBES LIMITED (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 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:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (up to 14<sup>th</sup> May, 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (with effect from 15<sup>th</sup> May, 2015);
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits), Regulations, 2014;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - 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 (Buyback of Securities) Regulations, 1998;

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The Equity Listing Agreement entered into by the Company with the Bombay Stock Exchange Limited and the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 notified on 2<sup>nd</sup> September, 2015.

We hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

VI. We further report that there is no law applicable specifically to the Company:

We further report that:

- a) The Board 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 that took place during the period under review were carried out in compliance with the provisions of the Act.

- b) Adequate notice is given to all Directors to schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were also sent to all Directors 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.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We 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.

We further report that during the audit period, the following event/action taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. During the year under review, the Company was converted from Private Company to Public Company and a fresh Certificate of Incorporation was received from the Registrar of Companies, Gujarat dated 1<sup>st</sup> October, 2015.
2. The Company has allotted total 46,50,000 Equity shares of Rs. 10/- each for cash at par through Right Issue on two occasions during the year under review.
3. The Company has made Initial Public Offer of 20,00,000 Equity shares of Rs. 10/- each for cash at par through Prospectus dated 14<sup>th</sup> March, 2016. Pursuant to the same, the equity shares of the Company were listed on the SME Platform of BSE Limited w.e.f 1<sup>st</sup> April, 2016.

**For,**  
**MANOJ HURKAT AND ASSOCIATES**  
Practicing Company Secretaries

Sd/-  
**MANOJ R HURKAT**  
Partner  
FCS No. 4287  
C P No.: 2574

**Place : Ahmedabad**  
**Date : 25<sup>th</sup> May, 2016**

Note: This Report is to be read with our letter of even date which is annexed as **Annexure A** and form an integral part of this Report.

**Annexure A**

To  
The Members  
Umiya Tubes Limited  
208, 2<sup>nd</sup> Floor, Suman Tower, Sector - 11,  
Gandhinagar - 382011

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record 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. We 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. We have not verified the correctness and appropriateness of financial records and Books of Accounts and cost records of the Company.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For,**  
**MANOJ HURKAT AND ASSOCIATES**  
Practicing Company Secretaries

Sd/-  
**MANOJ R HURKAT**  
Partner  
FCS No. 4287  
C P No.: 2574

**Place : Ahmedabad**  
**Date : 25<sup>th</sup> May, 2016**

## FORM No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2016

[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:

CIN:	L28112GJ2013PLC074916
Registration Date	07/05/2013
Name of the Company	Umiya Tubes Limited
Category of the Company	Listed Public Company
Sub Category of the Company	Limited by Shares & having Share Capital
Address	208, 2 <sup>nd</sup> Floor, Suman Tower, Sector-11, Gandhinagar - 382011 (Gujarat)
Contact Details	9033090050
Whether Shares Listed	Yes
<b>Details of Registrar and Transfer Agent</b>	
Name	Purva Sharegistry (India) Private Limited
Address	Unit No. 9, Shiv Shakti Industrial Estate, J R Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai – 400011
Contact Details	022-23016761

## 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:-

Sr. No.	Name and description of main products /services	NIC code of the product/ service	% of total turnover of the company
1.	Manufacturing of Stainless Steel Pipes	2719	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

[No. of Companies for which information is being filled]

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
NA					

## IV. 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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters &amp; Promoters Group</b>									
<b>1 Indian</b>									
a Individual/ HUF	-	716667	716667	95.56	4050000	-	4050000	54.73	-40.83
b Central Govt	-	-	-	-	-	-	-	-	-
c State Govt(s)	-	-	-	-	-	-	-	-	-
d Bodies Corporate	-	-	-	-	416667	-	416667	5.63	5.63
e Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
f Any Other...	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	-	<b>716667</b>	<b>716667</b>	<b>95.56</b>	<b>4466667</b>	-	<b>4466667</b>	<b>60.36</b>	<b>-35.20</b>

<b>2 Foreign</b>										
a NRIs - Individuals	-	-	-	-	-	-	-	-	-	-
b Other - Individuals	-	-	-	-	-	-	-	-	-	-
c Bodies Corporate	-	-	-	-	-	-	-	-	-	-
d Banks / Financial Institutions	-	-	-	-	-	-	-	-	-	-
e Any Other...	-	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	-	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	-	<b>716667</b>	<b>716667</b>	<b>95.56</b>	<b>4466667</b>	-	<b>4466667</b>	<b>60.36</b>	<b>-35.20</b>	
<b>B. Public Shareholding</b>										
<b>1 Institutions:</b>	-	-	-	-	-	-	-	-	-	-
a Mutual Funds	-	-	-	-	-	-	-	-	-	-
b Banks / Financial Institutions	-	-	-	-	-	-	-	-	-	-
c Central Govt	-	-	-	-	-	-	-	-	-	-
d State Govt(s)	-	-	-	-	-	-	-	-	-	-
e Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
f Insurance Companies	-	-	-	-	-	-	-	-	-	-
g FIs	-	-	-	-	-	-	-	-	-	-
h Foreign venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i Others (specify)	-	-	-	-	-	-	-	-	-	-
<b>Sub total (B)(1)</b>	-	-	-	-	-	-	-	-	-	-
<b>2 Non Institutions:</b>										
a Bodies Corporate										
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	1753333	-	1753333	23.69	+23.69	
ii) Individual Shareholder holding nominal share capital in excess of Rs 1 lakh	-	33333	33333	4.44	745000	-	745000	10.07	+5.63	
c Others (NRI & CM)	-	-	-	-	435000	-	435000	5.88	+5.88	
<b>Sub-total (B)(2)</b>	-	<b>33333</b>	<b>33333</b>	<b>4.44</b>	<b>2933333</b>	-	<b>2933333</b>	<b>39.64</b>	<b>+35.20</b>	
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	-	<b>33333</b>	<b>33333</b>	<b>4.44</b>	<b>2933333</b>	-	<b>2933333</b>	<b>39.64</b>	<b>+35.20</b>	
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>750000</b>	<b>750000</b>	<b>100</b>	<b>7400000</b>	-	<b>7400000</b>	<b>100.00</b>	<b>-</b>	

## (ii) SHAREHOLDING OF PROMOTERS:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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	
1.	Beena P Vaghela	51,000	6.80%	Nil	5,51,000	7.45%	Nil	+0.65%
2.	Bharatkumar P Patel	2,80,000	37.33%	Nil	13,18,611	17.82%	Nil	-19.51%
3.	Surendrasinh P Vaghela	6,000	0.80%	Nil	2,00,000	2.70%	Nil	+1.90%
4.	Saurabhkumar R Patel	40,000	5.33%	Nil	3,50,000	4.73%	Nil	-0.60%
	<b>Total</b>	<b>3,77,000</b>	<b>50.26%</b>	<b>Nil</b>	<b>24,19,611</b>	<b>32.70%</b>	<b>Nil</b>	<b>-17.56%</b>

## (iii) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE):

Sr. No.		Shareholding at the beginning of the year i.e. 1 <sup>st</sup> April, 2015		Shareholding at the beginning of the year i.e. 31 <sup>st</sup> March, 2016	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Beena P Vaghela	51,000	6.80%	5,51,000	7.45%
2.	Bharatkumar P Patel	2,80,000	37.33%	13,18,611	17.82%
3.	Surendrasinh P Vaghela	6,000	0.80%	2,00,000	2.70%
4.	Saurabhkumar R Patel	40,000	5.33%	3,50,000	4.73%

## (iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 1 <sup>st</sup> April, 2015		Cumulative Shareholding during the year i.e. 31 <sup>st</sup> March, 2016	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Aman M Patel	20000	2.67%	-	-
2.	Naresh A Panchal	13333	1.78%	-	-
3.	Beeline Broking Limited	-	-	110000	1.49%
4.	Sweety Ganatra	-	-	50000	0.68%
5.	Dhirajben Ganatra	-	-	50000	0.68%
6.	Hitesh Parmar	-	-	50000	0.68%
7.	Mukesh Parmat	-	-	50000	0.68%
8.	Jay Kotak	-	-	50000	0.68%
9.	Mansukhlal Kotak	-	-	50000	0.68%
10.	Anganaben Patel	-	-	40000	0.54%
11.	Sureshbhai Jogia	-	-	35000	0.47%
12.	Rekhaben Jogia	-	-	35000	0.47%

Note:

Change in the shareholding is due to allotment made by the Company to the respective shareholders during the year.



**(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sr. No.	For Each of the Directors & KMP	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.	Mrs. Beena P Vaghela (Chairperson and Director)	51,000	6.80%	5,51,000	7.45%
2.	Mr. Surendrasinh P Vaghela (Managing Director)	6,000	0.80%	2,00,000	2.70%
3.	Mr. Bharatkumar P Patel (Whole Time Director)	2,80,000	37.33%	13,18,611	17.82%
4.	Mr. Saurabhkumar R Patel ( Director and CFO)	40,000	5.33%	3,50,000	4.73%
5.	Mr. Vikram G Patel (Independent Director)	Nil	Nil	Nil	Nil
6.	Mr. Rajesh K Dave (Independent Director)	Nil	Nil	Nil	Nil
7.	Mr. Mitesh G Patel (Independent Director)	Nil	Nil	Nil	Nil
8.	Mr. Atul J Popat (Independent Director)	Nil	Nil	Nil	Nil
9.	Mr. Ritendrasinh K Rathod (Company Secretary)	Nil	Nil	Nil	Nil

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

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2,07,65,990/-	2,21,73,581/-	Nil	4,29,39,571/-
ii) Interest due but not paid	Nil	1,88,701/-	Nil	1,88,701/-
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	2,07,65,990/-	2,23,62,282/-	-	4,31,28,272/-
<b>Change in Indebtedness during the financial year</b>				
· Addition (CGTMSE Loan)	79,47,298/-	3,44,88,385/-	Nil	4,24,35,683/-
· Reduction (Repayment of Loan)	42,33,461/-	5,68,50,667/-	Nil	6,10,84,128/-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2,44,79,827/-	Nil	Nil	2,44,79,827/-
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	2,44,79,827/-	Nil	Nil	2,44,79,827/-

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (in `)(p.a.)
		Mr. Surendrasinh P Vaghela (MD)	Mr. Bharatkumar R Patel (WTD)	
1.	<b>Gross salary</b>			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
(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.	<b>Stock Option</b>	-	-	-
3.	<b>Sweat Equity</b>	-	-	-
4.	<b>Commission</b>			
	- as % of profit	—	—	—
	- Others, specify...	—	—	—
5.	<b>Others (Bonus)</b>	Nil	Nil	Nil
	<b>Total (A)</b>	Nil	Nil	Nil

## B. REMUNERATION TO OTHER DIRECTORS:

Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	<b>Independent Directors</b>	NA	
-	Fee for attending board / committee meetings		
-	Commission		
-	Others, please specify		
	Total (1)		
2.	<b>Other Non-Executive Directors</b>		
-	Fee for attending board / committee meetings		
-	Commission		
-	Others, please specify		
	Total (2)		
	<b>Total (B)=(1+2)</b>		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

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

Sr. No.	Particulars of Remuneration	CFO	Company Secretary	Total (in `)
1.	<b>Gross salary</b>			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	30,000*	30,000
(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.	<b>Stock Option</b>	-	-	-
3.	<b>Sweat Equity</b>	-	-	-
4.	<b>Commission</b>			
	- as % of profit	-	-	-
	- Others, specify...	-	-	-
5.	<b>Others, please specify</b>	-	-	-
	<b>Total</b>	Nil	30,000	30,000

\* Company Secretary was appointed w.e.f 1<sup>st</sup> February, 2016

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY :</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS :</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT :</b>					
Penalty					
Punishment					
Compounding					

NA

## 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 PROVISIO THERETO

1. Details of contracts or arrangements or transactions not at arm's length basis:							
Name of the Related Party & Nature of Relationship	Nature of Contracts/ Arrangements/ transactions	Duration of Contracts/ Arrangements/ Transactions	Salient terms of Contracts/ Arrangements/ Transactions including value, if any	Justification for entering into such Contracts/ Arrangements/ Transactions	Date of Approval by the Board	Amount paid as advances, if any	Date of passing Special Resolution
NA							
2. Details of material contracts or arrangement or transactions at arm's length basis:							
Name of the Related Party & Nature of Relationship	Nature of Contracts/ Arrangements/ transactions	Duration of Contracts/ Arrangements/ Transactions	Salient terms of Contracts/ Arrangements/ Transactions including value, if any	Date of Approval by the Board, if any	Amount paid as advances, if any		
NA							

Place : Gandhinagar  
Date : 25<sup>th</sup> May, 2016

By Order of the Board  
sd/  
Beena P Vaghela  
(DIN:03577571)  
Chairperson & Director

## Annexure-4

Extracts of Remuneration Policy from the Nomination and Remuneration Policy of the Company:

**PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSONNEL, KMP AND SENIOR MANAGEMENT:****- Remuneration to Managerial Personnel and Senior Management:**

Remuneration payable to any of the managerial personnel shall be as per the provisions of the Companies Act, 2013 and rules made there under and shall not exceed the limits as prescribed under the Act.

**- Remuneration to Managing Director, Whole Time Director, Manager:**

Committee shall ensure proper compliance of provisions of Section 197, 198 and Schedule V of the Companies Act, 2013 while deciding their remuneration.

**- Remuneration to Non-Executive / Independent Director:****Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

## MANAGEMENT DISCUSSION AND ANALYSIS

This section contains certain forward-looking statements which are based on the certain assumptions and expectations of certain future events.

### Overall Review

The Company is engaged in the manufacturing of stainless steel pipes and tubes through the state of art production units situated at Survey No. 284/1,2,3,4, ( New Survey No. 1581,1582,1583 and 1584 ) Talod - Ujediya Road, Toraniya, Talod, Dist: Sabarkantha (Gujarat) with the total installation capacity of 2585 MTPA as on 31<sup>st</sup> March, 2016. The Company started with the production capacity of 2040 MTPA in the year 2013-14.

Currently the Company is manufacturing stainless steel decorative tubes and pipes which relies heavily on impeccable engineering and precision based manufacturing. The diameter of these pipes ranges between 9.52 mm to 76.2 mm, the thickness on the other hand ranges from 0.4 mm to 3.00 mm. The Company aspires to design and manufacture such pipes and tubes that find applications in varies industries. The Company specialize in meeting specific requirement of customers and offers complete solution for stainless steel pipes and tubes.

The Company is currently located and supplying the products in the state of Gujarat. Going forward the Company plans to establish the presence in more cities of the state and in India.

### Industry Structure

India is among the fastest growing steel tubes and pipes manufacturers in the world with production estimated at about 10 million tonnes a year. Over the period, India has emerged as the global pipe manufacturing hub due to lower costs, superior quality and geographical advantages. The Indian steel pipes industry, comprising seamless SAW and ERW pipes, addressed a vast global and domestic opportunity, as a result of which this industry aggressively expanded capacity. Our Company operates in ERW Steel/Tubes segment and over a period of time we have emerged as consistent manufacturer on the strength of our high quality standards and ability to customized products as per specific customer requirements. The Sectors in which we are present are considerably under served in India and other parts of the emerging world but with more Government focus and investments, there are reasons for optimism. This reality creates significant headroom for growth.

### Financial Performance with respect to Operational Performance

The gross turnover of the Company i.e. Rs. 822.85 Lacs in the year 2014-15 had increased to Rs. 1456.82 Lacs in the year 2015-16. After providing for Taxation (mainly, deferred tax liability), the Company has made profit of Rs. 4.50 lacs in current year as compared to profit of Rs. 1.15 Lacs of last year which has been transferred to the Balance Sheet.

The Production of the Company has increased from 6,72,305 Kgs. in the year 2014-15 to 13,98,835 Kgs. in the year 2015-16. Moreover, the Sales of the Company also increased from 7,01,097 Kgs. to 14,58,924 Kgs. in the year 2015-16.

### Internal Control Systems and their adequacy

The Company practices an internal control system which ensures proper handling and management of its assets. The internal control system of the Company is geared towards achieving efficiency in operations, effective monitoring and compliances with all applicable laws and regulations. The Company regularly conducts internal audit programs. The internal control department of the Company functions under the guidelines of the Audit Committee of the Company.

The Company regularly reviews the adequacy and effectiveness of the internal control system and suggests improvement for strengthening them.

### Opportunities, Risks and Concerns

While the domestic and International economic conditions continue to remain challenging and are expected to remain for some more time, we expect that with wide range of products, quality standards and team efforts, your Company will be in a position to wither this situation. Your Company has continued to be the preferred supplier of many leading Companies and has been successful in expanding its approval base, adding leading players from the industry. Therefore, we expect that your Company will continue to be in a position to gradually expand its market reach and marker share as per opportunities.

The Company regularly insures all its assets to enable itself in case of any mis-happening. The Company has framed a risk management team which constantly monitors the Indian and international markets and guides the management of any sort of prevailing risk to the company. The commodities prices being internationally traded are affected by the global market demand and supply forces and the dollar rate. The risk management team plays a major role here. Moreover, the industry is labour oriented and business operations of the Company may be materially affected by strikes, lock outs or work stoppage.

### Material Developments in Human Resources and Industrial Relations Front:

As the Company continues to grow, the focus has been on enhancing morale and capabilities of employees. The staff and workers are provided orientation and training for the development of soft and hard skills on a regular basis. Human Resource are precious assets of your Company, Efforts are made to improve the performance, providing work satisfaction and performance based increments, safety and social status. The Industrial relations remained cordial at all organizational levels and work

places. The Company makes regular efforts to maintain relation with Stakeholders by transparency, good governance, regular communication and effective transactions.

**Environment and Safety:**

The Company is committed to comply with the statutory requirements related to environment, health, safety and to prevent pollution through continual improvement in processes, practices and EHS awareness. Your Company is not only cares of compliances is this aspects but also contributes towards society health, safety and green environment.

**Cautionary Statement:**

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

**Place : Gandhinagar**  
**Date : 25<sup>th</sup> May, 2016**

**By Order of the Board**  
**sd/-**  
**Beena P Vaghela**  
**(DIN:03577571)**  
**Chairperson & Director**

## AUDITOR'S REPORT

To  
The Members,  
Umiya Tubes Ltd.

### Report on the Financial Statements

We have audited the accompanying financial statements of Umiya Tubes Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2016, 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's Responsibility for the 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- (ii) in the case of the Profit and Loss Statement, of the profit/ loss for the year ended on that date; and
- (iii) 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, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in the 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 sought and 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 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and
- 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. As explained to us there is no pending litigation that affects the financial position of the company.
  - ii. As explained to us the company has not entered into any long term contracts including derivatives contracts and hence no material foreseeable loss.
  - iii. 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  
FRN No. : 134692W

sd/-  
Pratirajsinh Raulji  
PARTNER  
Membership No. 149089

**Place :** Gandhinagar

**Date :** 25/05/2016

#### **ANNEXURE A” TO THE AUDITORS’ REPORT**

This is an annexure on the accounts of **Umiya Tubes Ltd.** as referred above in paragraph 1 under the heading ‘Report on other Legal & Regulatory Requirement’ of our report of even date to the financial statement for the year ended **31<sup>st</sup> March, 2016:**

**1. In respect of Fixed Assets :**

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. in accordance with this programme certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) on the basis of information and explanation given to us, the Title Deeds of Immovable Properties are held in name of company.

**2. In respect of Inventories :**

- (a) The management has conducted physical verification of inventory at reasonable intervals. In our opinion, the procedure followed by the management for such physical verification is reasonable and adequate in relation to the size of the Company and nature of his business.
- (b) In our opinion the Company is maintaining proper records of inventory. No discrepancy on verification between physical inventories and the book records were noticed.

- 3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company.
- 4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5. The Company has not accepted any deposits from public.
- 6. We have just broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records u/s. 148 (1) of the



- Companies Act. and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
7. (a) According to the records, information and explanation given to us the Company is generally regular in depositing with appropriate authorities the applicable statutory dues, which are not disputed.
  - (b) According to the records, information and explanation given to us, There are no undisputed amounts payable in respect of Income tax, sales tax, Wealth tax, Custom duty, Excise duty and cess outstanding as at the year end, for a period of more than six months from the date they become payable.
  8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
  9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of further public offer including debt instruments. The term loan has been applied for the purpose for which it was raised. The money raised through initial public offer was lying in the separate bank account pending listing permission of BSE Limited. (SME Exchange)
  10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
  11. No Managerial remuneration is paid and so the provisions of section 197 read with Schedule V to the Companies Act are not applicable to company.
  12. In our opinion, and according to the information and explanations given to us the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
  13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
  14. According to the information and explanations given 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 fully or partly convertible debentures during the year under review. During the year the Company has made an Initial Public Offer of 20,00,000 Equity Shares of Rs. 10/- each for cash at par vide Prospectus dated 14th March, 2016. The Company has successfully completed the Initial Public Offering (IPO) in the current year pursuant to the applicable SEBI Rules and Regulations. The IPO opened on 18th March, 2016 and closed on 22nd March, 2016.
  15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him.
  16. The company is not required to be registered under section 45-IA of the Reserve Bank Of India Act, 1934.

For & behalf of  
Pratirajsinh Raulji & Co.  
CHARTERED ACCOUNTANTS  
FRN No. : 134692W

sd/-  
Pratirajsinh Raulji  
PARTNER  
Membership No. 149089

Place : Gandhinagar  
Date : 25/05/2016

**“ANNEXURE B” TO THE AUDITORS’ REPORT**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Umiya Tubes Limited (“the Company”) as of March 31, 2016 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 Company’s management is responsible for establishing and maintaining internal financial controls based on 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 of the company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, 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, 2016, 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 & behalf of  
Pratirajsinh Raulji & Co.  
CHARTERED ACCOUNTANTS  
FRN No. : 134692W

sd/-  
Pratirajsinh Raulji  
PARTNER  
Membership No. 149089

**Place :** Gandhinagar  
**Date :** 25/05/2016

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2016**

PARTICULARS	Notes No.	Figures as at the end of current reporting period 31.03.2016	Figures as at the end of previous reporting period 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders funds</b>			
(a) Share capital	1	74,000,000	7,500,000
(b) Reserves & surplus	2	2,061,679	1,611,399
(c) Money received against share warrents		-	-
		<u>76,061,679</u>	<u>9,111,399</u>
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-current liabilities</b>			
(a) Long term borrowings	3	19,912,924	39,666,740
(b) Deffered tax liabilities (Net)	4	4,456,331	-
(c) Other long term liabilities		-	-
(d) Long term provisions		-	-
		<u>24,369,255</u>	<u>39,666,740</u>
<b>(4) Current liabilities</b>			
(a) Short term borrowings	5	20,844,629	24,257,888
(b) Trade payables	6	59,630,443	16,494,410
(c) Other current liabilities	7	1,184,194	1,735,284
(d) Short term provisions	8	1,078,960	434,619
		<u>82,738,226</u>	<u>42,922,201</u>
<b>Total</b>		<u><b>183,169,160</b></u>	<u><b>91,700,340</b></u>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	9	57,870,543	38,913,136
(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		-	-
		<u>57,870,543</u>	<u>38,913,136</u>
<b>(2) Current assets</b>			
(a) Current investments		-	-
(b) Inventories	10	16,177,159	7,429,693
(c) Trade receivables	11	77,810,120	39,808,270
(d) Cash & cash equivalents	12	22,088,542	2,032,670
(e) Short term loans & advances	13	320,480	104,964
(f) other current assets	14	4,943,408	3,411,607
		<u>121,339,709</u>	<u>52,787,204</u>
<b>III Misc expenditure not written off</b>			
Significant Accounting Policies and Notes Forming part of accounts	15 25	3,958,908	
<b>Total</b>		<u><b>183,169,160</b></u>	<u><b>91,700,340</b></u>

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

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

Place : Gandhinagar  
Date : 25/05/2016

For & On behalf of the Board of Directors  
Umia Tubes Ltd.

sd/-  
(Beena P. Vaghela)  
Chair Person  
(DIN : 03577571)

sd/-  
(Saurabh R. Patel)  
Chief Financial Officer  
(DIN : 06562786)

sd/-  
(Ritendrasinh Rathod)  
Company Secretary  
Place : Gandhinagar  
Date : 25/05/2016

sd/-  
(Surendrasinh P. Vaghela)  
Managing Director  
(DIN : 03577571)

sd/-  
(Bharat P. Patel)  
Whole Time Director  
(DIN : 06562786)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2016**

PARTICULARS	Notes No.	Figures as at	Figures as at
		the end of current reporting period 31.03.2016	the end of previous reporting period 31.03.2015
I. <b>Revenue from operations</b>	16	163,960,012	91,778,067
<b>Less : Excise</b>		(18,277,371)	(9,492,525)
II. <b>Other Income</b>	17	4,548,036	1,205,131
III. <b>Total Revenue (I+II)</b>		<b>150,230,677</b>	<b>83,490,673</b>
IV. <b>Expenses</b>			
Cost of Raw material consumed	18	133,293,930	69,134,022
Purchases of Stock-in-trade	19	-	5,524,379
changes in inventories of finished goods			
work in-progress and stock-in-trade	20	(4,992,740)	(3,269,180)
Employees Benefit expense	21	2,820,893	1,662,393
Finance cost	22	5,119,266	4,534,762
Depreciation and amortisation expenses	23	2,546,619	1,041,043
Other expenses	24	6,536,098	4,492,655
<b>Total expenses</b>		<b>145,324,066</b>	<b>83,120,074</b>
V. <b>Profit before exceptional and extraordinary items and tax Expenses (III-IV)</b>		4,906,611	370,599
VI. Exceptional item		-	-
VII. Profit before extraordinary items and tax (V-VI)		4,906,611	370,599
VIII. Extraordinary items (See Note M)		-	255,200
IX. Profit before tax (VII-VIII)		4,906,611	115,399
X. Tax Expense:		4,456,331	-
(1) Current tax - MAT		(935,000)	(24,400)
(2) MAT credit Entitlement		935,000	24,400
(3) Deffered Tax (Liability)/Asset		4,456,331	-
XI. Profit(Loss) for the period from continuing operations (IX-X)		450,280	115,399
XII. Profit/(loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(loss) from discontinuing operations(after Tax ) (XII-XIII)		-	-
XV. Profit(loss) for the period (XI+XIV)		450,280	115,399
XVI Earning per equity share			
(1) Basic		0.14	0.15
(2) Diluted		0.14	0.15
Significant Accounting Policies and Notes forming part of accounts	25		

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

sd/-  
**( Pratirajsinh R. Raulji )  
Partner  
Mem. No. 149089  
FRN No. 134692W**

**Place : Gandhinagar  
Date : 25/05/2016**

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

sd/-  
**(Beena P. Vaghela)  
Chair Person  
(DIN : 03577571)**

sd/-  
**(Saurabh R. Patel)  
Chief Financial Officer  
(DIN : 06562786)**

sd/-  
**(Ritendrasinh Rathod)  
Company Secretary  
Place : Gandhinagar  
Date : 25/05/2016**

sd/-  
**(Surendrasinh P. Vaghela)  
Managing Director  
(DIN : 03577571)**

sd/-  
**(Bharat P. Patel)  
Whole Time Director  
(DIN : 06562786)**

**NOTES FORMING PART OF THE ACCOUNTS For the year ended on 31<sup>st</sup> March 2016**
**[ 1 ] CORPORATE INFORMATION :**

Umiya Tubes Limited (The company) was incorporated on 7<sup>th</sup> May, 2013 as Private Limited Company. The Company was converted from Private Limited to Public Limited Company vide Fresh Certificate of Incorporation dated 1<sup>st</sup> October, 2015 issued by the Registrar of Companies, Gujarat. The Company is engaged in the business of manufacturing of stainless steel pipes with registered address at 208, 2<sup>nd</sup> Floor, Suman Tower, Sector-11, Gandhinagar, Gujarat, India Pin 382 011 and factory address at Survey No. 1584/1,2,3 and 4 (old survey numbers 284/1,2,3 & 4 ), At. Toraniya, Post Ujediya, Ta. Talod, Dist. Sabarkantha, Gujarat, India Pin 383 215.

The Company has made an Initial Public Offer of 20,00,000 Equity Shares of Rs. 10/- each for cash at par vide Prospectus dated 14th March, 2016. The Company has successfully completed the Initial Public Offering (IPO) in the current year pursuant to the applicable SEBI Rules and Regulations. The IPO opened on 18th March, 2016 and closed on 22nd March, 2016.

The IPO of the Company received an encouraging response from the investors and the public issue was oversubscribed. The Equity Shares of the Company have been listed on SME Platform of BSE Limited w.e.f 1st April, 2016.

**[ 2 ] 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) Tangible assets:**

1. 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. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use.
2. Any subsequent expenditure incurred is added to an asset 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.

**(D) Intangible assets:**

The company have its logo and brand which is created by the hard work and sincere efforts of the company management and the registration of trade mark is under progress as the application is already made and it is under the process of approval at government level. But as it is self generated and company have not paid any specific amount for it the same is not recognized with any specific value in the books of accounts.

**(E) Depreciation :**

Depreciation is calculated as per method given in schedule – II of the Companies Act 2013 on the straight line method on all assets. 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.

**(F) Impairment :**

1. The Company verifies/assesses at each reporting date as to whether there is any indication that an asset (tangible and intangible) may be impaired. An asset is treated as impaired, when the carrying cost of the asset exceeds its recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net

selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

2. An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. On the balance sheet date, there is any indication that the impairment loss recognised in prior accounting period does not exist than it is reversed and the asset is reflected at the realisable value subject to the maximum of depreciated historical cost.

**(G) Investment/deposits :**

1. Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Non Current investments are stated at cost. Provision for diminution in the value of Non Current investments is made only if such a decline is other than temporary in nature.
2. Investments that are readily realisable and liquid in nature and intended to be held for not more than 12 months from the date of acquisition are classified as current investment. All other investments are classified as non-current investments.

**(H) Inventories :**

1. Items of inventories like raw material, finished goods, work-in-progress, store and spares etc. are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value.
2. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes based on normal capacity of production incurred in bringing them to their respective present location and condition
3. Net realisable value is estimated selling price in ordinary course of business.

**(I) Revenue:**

1. The sales revenue is recognized on issuance of sales invoice and taken to sales excluding all taxes applicable to that sale.
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 visit by concerned authorities is also finished 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.

**(J) Excise duty Vat Service tax 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.
3. Service tax is also accounted on same bases. Service tax as per RCM is paid and CENVAT credit of the same is taken. Service tax payable for service provided is also taken to liability and paid as per rules.

**(K) Employee Benefits:**

This is the second year of company for production and sales or operation and all employee benefits like PF, Residential Facility, Refreshment Area, Plot area, their safety and security, their insurance etc. is taken care by the company.

**(L) Prior period and extraordinary items:**

There is no prior period item in the current year.

**(M) Preliminary expense or expenses to be written off.**

Preliminary expenses of expenses to be written off includes the expenses incurred for public issue during the year but as whole the issue proceeds is received in next year and not utilized during the current year, the issue expenditure incurred are recognised and the head Misc. expenditure incurred not written off as per the matching concept and the same will be written of in the next financial year.

**(N) Provisions :**

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**(O) Contingent Liabilities and Contingent Assets :**

1. Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.
2. Contingent assets are neither recognised nor disclosed in the financial statements.

**(P) Export benefits:**

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

**(Q) Foreign currency transactions:**

There are no direct business foreign currency transactions but however one delegation of company visited abroad for export marketing and in that foreign tour they incurred the expenditure of Rs. 0.79 lakhs in the current financial year.

**(R) Borrowing Cost:**

Borrowing Costs that are attributable to the acquisition and construction of the qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Revenue.

**(S) Cash & Cash equivalents :**

Cash and cash equivalents includes cash in hand and cash at bank and cheques received but not deposited.

**(T) Earning per share :**

<b>Particulars</b>	<b>Amount</b>
Earning For the year after tax	4,50,280/-
Weighted Average Number of shares	31,16,666/-
Basic Earning per share	0.14
Dialuted Earning per share	0.14

**(U) 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.

Tax expense comprises of current tax and deferred tax. Current tax is reported at the amount expected to be paid to the tax authorities, as per the prevailing taxation rates. Deferred income tax shows the current period timing differences between taxable income and accounting income and reversals of timing differences of earlier years/period wherever required.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised only to the extent that there is a reasonable certainty or virtual certainty that sufficient future income will be available against which such deferred tax assets can be realized. The company re-assesses at every balance sheet date weather reasonable or virtual certainty exist for future income against which unrecognized deferred tax assets can be recognised/realised. except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

<b>Particulars</b>	<b>Amount</b>
Profit as per books of accounts before DTL	49,06,611/-
Profit as per Income Tax	11,95,993/-
Difference	37,10,618/-
<b>Timing Difference</b>	<b>A</b>
Depreciation As per Income Tax :	62,21,911/-
As per books :	<u>25,46,619/-</u>
	36,75,292/-
<b>Permanent Difference</b>	<b>B</b>
Interest on statutory dues	(15714)/-
Preliminary Exps	<u>51040/-</u>
	35326/-
Total (A+B)	37,10,618/-
Deferred Tax liability on timing difference above @ 30.9%	11,35,665/ (36,75,292*30.9%)

**NOTES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2016**

Particulars	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
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**NOTE " 1 " SHARE CAPITAL**
**AUTHORISED CAPITAL:-**

75,00,000 Equity Share of Rs. 10/- each. (7,50,000 Equity Share of Rs. 10/- each in previous year)	75,000,000	7,500,000
ISSUED Subscribed and paid up :-		
74,00,000 Equity Share of Rs. 10/- each. (7,50,000 Equity Share of Rs. 10/- each in previous year)	74,000,000	7,500,000
	<u>74,000,000</u>	<u>7,500,000</u>

- 1.1 The Company has only one class of equity shares having face value of Rs. 10/- per share. Each equity share holder is entitle for one vote for one share. Each share holder has the right of appointing proxy.
- 1.2 During the previous year the Company has made an Initial Public Offer of 20,00,000 Equity Shares of Rs. 10/- each for cash at par vide Prospectus dated 14th March, 2016. The Company has successfully completed the Initial Public Offering (IPO) in the current year pursuant to the applicable SEBI Rules and Regulations. The IPO opened on 18th March, 2016 and closed on 22nd March, 2016.
- 1.3 The IPO of the Company received an encouraging response from the investors and the public issue was oversubscribed. The Equity Shares of the Company have been listed on SME Platform of BSE Limited w.e.f 1st April, 2016.
- 1.4 Reporting of Equity share outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31.3.2016	As at 31.3.2015
<b>(Figures are in lacs)</b>		
At the beginning of the year	75	40
Add : Issue During the Year	465	35
	(Right Issue)	(Right Issue)
	200	-
	(Public Issue)	
Outstanding at the end of the year	740	75
<b>(Figures of shares are in numbers)</b>		
At the beginning of the year	7,50,000	4,00,000
Add: Right Issue During the Year	46,50,000	3,50,000
Public Issue During the Year	20,00,000	
Outstanding at the end of the year	74,00,000	7,50,000

- 1.5 Details of Shareholder holding more than 5% Equity shares in company:

Year	As on 31.3.16		As on 31.3.15	
Name of the share holder	No. Of Shares	% held	No. Of Shares	% held
Bhikhaji K. Chavda	650000	8.78%	300000	40.00%
Bharatbhai P. Patel	1318611	17.82%	280000	37.33%
Beena P. Vaghela	551000	7.45%	51000	6.80%
SNB Corporation Pvt. Ltd.	416667	5.63%	-	-
Saurabhkumar R. Patel	350000	4.73%	40000	5.33%

Particulars	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
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**"NOTE 2" RESERVE & SURPLUS**
**Profit & Loss A/c.**

Opening Profit	111,399	(4,000)
Add Profit/loss during the year	450,280	115,399
<b>Total (A)</b>	561,679	111,399
Capital Subsidy (CLCSS)	1,500,000	1,500,000
<b>Total (B)</b>	<u>1,500,000</u>	<u>1,500,000</u>
<b>Total Reserve &amp; Surplus</b>	<u>2,061,679</u>	<u>1,611,399</u>

- 2.1 The profit and loss account is the balance of net profit after provision of taxation and all carried over to balance sheet from profit and loss account.
- 2.2 The subsidy of Rs. 15 Lakh under scheme CLCSS is received and lying with Vijya Bank as FDR due to lock in period of three years and the same is taken to capital reserve.



Particulars	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
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**“NOTE 3 “ NON CURRENT LIABILITIES**
**Long Term Borrowings**

Secured Borrowings From Bank	19,912,924	17,304,458
Inter Corporate Deposits	-	2,838,701
Unsecured Borrowings From Promoters, Directors and relatives	-	19,523,581
Total	19,912,924	39,666,740

- 3.1 The company had taken term loan from Vijaya Bank. The term loan is secured by way of mortgage/hypothecation of company land, shed and building, all machineries and also additional personal security provided to bank by directors.
- 3.2 The loan of Vijaya bank is taken over by HDFC bank with an enhanced addition working capital facility immediately after the completion of the year under audit.
- 3.3 The inter corporate deposit and all unsecured loans have been repaid by the company during the year by issuance of equity shares @10/- per share by right issue.

**“NOTE 4 “ DEFERRED TAX LIABILITIES**
**Opening deferred tax Liabilities**

Add : DTL generated during the year	4,456,331	-
Closing deferred tax liability	4,456,331	-

- 4.1 Deferred tax liability is the timing difference between taxable income and book income. It is due to different depreciation rates under income tax act and companies act calculated as below:

<u>Particulars</u>		<u>Amount</u>
Profit as per books of accounts before DTL		49,06,611/-
Profit as per Income Tax		11,95,993/-
Difference		37,10,618/-
<b>Timing Difference</b>	<b>A</b>	
Depreciation		36,75,292/-
As per IT :	62,21,911/-	
As per books :	25,46,619/-	
<b>Permanent Difference</b>	<b>B</b>	35326/-
Interest on statutory dues	(15714)/-	
Preliminary Exps	51040/-	
Total (A+B)	37,10,618/-	
Deferred Tax liability on timing difference above @ 30.9%	11,35,665/-	(36,75,292*30.9%)

**“NOTE 5 “ CURRENT LIABILITIES**
**SHORT TERM BORROWINGS**
**CURRENT LIABILITIES**

Secured Borrowings from Bank (CCH from Bank)	16,277,726	20,796,356
Current portion of a long term debt		
Term Loan	3,461,532	3,461,532
CGTMSE Loan	1,105,371	-
<b>Total</b>	20,844,629	24,257,888

- 5.1 The company had taken working capital 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 factory land and building are provided as collateral along with the directors personal properties.
- 5.2 Current portion of long term debt is the installments due for payment within next one year by the company.

**NOTE “ 6” TRADE PAYABLE**

Creditors For Expenditure	2,441,493	551,315
Creditors For Assets	4,045,509	2,977,822
Creditors For Goods	53,143,441	12,965,273
<b>Total</b>	59,630,443	16,494,410

- 6.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under. This is reported based on the database available with the company.

Particulars	As at 31.03.2016	As at 31.03.2015
	Rs.	Rs.
<b>NOTE " 6.1"</b>		
<b>TRADE PAYABLE</b>		
Principal amount due and remaining unpaid	Nil	Nil
Interest due on above and the unpaid interest	Nil	Nil
Interest paid	Nil	Nil
Payment made beyond the appointed day during the year	Nil	Nil
Interest due and payable for the period of delay	Nil	Nil
Interest accrued and remaining unpaid	Nil	Nil
Amount of further interest remaining due and payable in succeeding years	Nil	Nil
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

**NOTE " 7" OTHER CURRENT LIABILITIES**

<b>Transportation Contract SD (A)</b>	-	700,000
<b>Duties &amp; Taxes</b>		
Vat & Cst Payable	714,683	645,603
PF Payable	23,367	76,449
Professional Tax Payable	2,950	13,390
TDS Payable	227,385	93,787
Service Tax Payable	17,305	-
<b>Total (B)</b>	<b>985,690</b>	<b>829,229</b>
<b>Salary Payable</b>		
Salary Payable	198,504	206,055
<b>Total (C)</b>	<b>198,504</b>	<b>206,055</b>
<b>Total (A+B+C)</b>	<b>1,184,194</b>	<b>1,735,284.00</b>

7.1 All these statutory dues are accruals for the last month and have been paid in the next month

**NOTE "8" SHORT TERM PROVISIONS****Provision For Expenditure**

Audit fees Provision	15,000	7,000
Electricity Bill Payable	128,960	94,815
Lease Rent Payable	-	88,817
Mat payable	935,000	24,400
CS Fees Provision	-	3,000
Interest on Cash credit payable	-	80,087
Authorised capital Increase Expenses payable	-	136,500
	<b>1,078,960</b>	<b>434,619</b>

**NOTE "9" FIXED ASSETS**

Sr. No	Particulars	GROSS BLOCK			DEPRECIATION		NET BLOCK		
		As on 01.04.15 the year	Addition during 31.03.16	Total on	AS ON 01.04.15	FOR THE YEAR	AS ON 31.03.16	AS ON 31.03.16	AS ON 31.03.15
1	Computers	83,320	1,57,339	2,40,659	21,197	57,050	78,247	1,62,412	62,123
2	Plant & Machinery	2,67,98,824	1,08,32,040	3,76,30,864	7,23,042	20,09,612	27,32,654	3,48,98,210	2,60,75,782
3	Factory Shed & Building	1,22,51,035	75,30,647	1,97,81,682	2,96,804	4,79,957	7,76,761	1,90,04,921	1,19,54,231
4	Factory land	8,21,000	29,84,000	38,05,000	-	-	-	38,05,000	8,21,000
	<b>S U B TOTAL</b>	<b>3,99,54,179</b>	<b>2,15,04,026</b>	<b>6,14,58,205</b>	<b>10,41,043</b>	<b>25,46,619</b>	<b>35,87,662</b>	<b>5,78,70,543</b>	<b>3,89,13,136</b>

9.1 The whole of the fixed assets were erected and installed on the NA land acquired by the company through registered perpetual lease deed with registrar of land Tal : Talod, Dist : Sabarkantha However on 6<sup>th</sup> day of November 2015 the company purchased the said land with the registered sale deed at the total cost of Rs. 29.84 Lakhs and shown in the balance sheet as factory land.

9.2 The company spent an amount of Rs. 75.31 Lakhs on expansion of factory shed and out of which Rs. 25.02 Lakhs have been used from public issue money as stated in the prospectus.

9.3 The company has made an investment of Rs. 108.32 lakhs in the Plant & Machinery during the year. The company has purchased three tube mills, crane, pipe polishing machine, weighbridge, welding machine etc. during the year.

Particulars	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
<b>NOTE "10" INVENTORIES</b>		
Raw Material	7,915,239	4,160,513
Finished Goods	8,261,920	3,269,180
	<u>16,177,159</u>	<u>7,429,693</u>
10.1 Raw material inventories includes coil, packing material, stores and spares packing material etc.		
10.2 Finished goods include the stock of pipes and tubes with all sizes and all thicknesses and grades.		
10.3 This stock is hypothecated to bank for working capital facilities taken by the company.		
<b>NOTE " 11" TRADE RECEIVABLE</b>		
<b>Trade Receivables</b>		
(Unsecured, Considered Good unless stated otherwise)		
Outstanding for the period exceeding six month from the date they become due considered good	8,153,553	571,939
Others Considered good	69,656,567	39,236,331
	<u>77,810,120</u>	<u>39,808,270</u>
<b>NOTE " 12" CASH &amp; CASH EQUIVALENTS</b>		
Cash on hand	587,288	530,110
Balance with Banks :		
In Current Accounts with banks	21,501,254	1,502,560
	<u>22,088,542</u>	<u>2,032,670</u>
<b>NOTE " 13 " SHORT TERM LOANS &amp; ADVANCES</b>		
<b>Short Term Advances (unsecured -considered good)</b>		
Advance to Creditors	320,480	104,964
	<u>320,480</u>	<u>104,964</u>
<b>NOTE " 14 " OTHER CURRENT ASSETS</b>		
Excise Duty receivable	23,243	1,886,938
Total (A)	23,243	1,886,938
Security Deposits (B)	500,372	299,872
<b>Others Current Assets:</b>		
Interest Subsidy receivable	3,017,978	1,068,800
GEB Subsidy receivable	349,793	117,021
Prepaid Expenses	92,622	14,576
Mat Credit Retrivable	959,400	24,400
Total (C)	<u>4,419,793</u>	<u>1,224,797</u>
Total (A+B+C)	<u>4,943,408</u>	<u>3,411,607</u>

14.1 The security deposits includes mainly the deposit of Rs. 2.77 lakhs lying with UGVCL for electric connection paid by company and two deposits which are made for security deposits to be given to BSE for public issue which is conducted by company this year and the same is refundable after full payment of all issue intermediaries.

14.2 Company received provisional sanction from government authorities for interest subsidy and visit by concerned authorities is also finished 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 and the same part is taken as other current asset here.

14.3 UGVCL sanctioned the electricity subsidy and based on that the provision is made for the GEB subsidy and the same is reported here under this head of other assets.

Particulars	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
<b>NOTE " 15 " MISC EXPENDITURE NOT WRITTEN OFF</b>		
Public Issue Expenses	3,036,956	-
Authorized Capital	921,952	-
Increase Expenses for IPO		
	<u>3,958,908</u>	<u>-</u>

15.1 Misc expenditure incurred not written off includes the expenditure relating to the public issued incurred during the year. But as the issue proceeds from the issue received in the next year and not utilized during this year the expenditure for the same will be claimed in next year.

Particulars	2015-16 Rs.	2014-15 Rs.
<b>NOTE " 16 " REVENUE FROM OPERATIONS</b>		
<b>Sale Of Product</b>		
Finished Goods	163,960,012	86,145,791
Traded Goods	-	5,632,276
Revenue From Operations (Gross)	163,960,012	91,778,067
Less : Excise	18,277,371	9,492,525
Revenue From Operations (Net)	<u>145,682,641</u>	<u>82,285,542</u>

**NOTE " 17 " OTHER INCOME**

Labour Income	1,863,100	-
GEB Subsidy on Electric Duty	232,772	117,021
Interest Subsidy	1,949,178	1,068,800
Kasar Account	502,986	19,310
Total (A+B-C)	<u>4,548,036</u>	<u>1,205,131</u>

17.1 Labour income is the income of company where in the company provided the fabrication services to customers and the same is collected also during the year.

17.2 UGVCL sanctioned the electricity subsidy and based on that the provision is made for the GEB subsidy and the same is reported here under this head of other assets.

17.3 Company received provisional sanction from government authorities for interest subsidy and visit by concerned authorities is also finished 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.

**NOTE " 18 " COST OF RAW MATERIAL CONSUMED**

Opening Inventory	4,160,512	2,042,820
Add : Purchase as per Note : 18.1	137,048,657	71,251,714
Less : Closing inventory	7,915,239	4,160,512
Total (A+B-C)	<u>133,293,930</u>	<u>69,134,022</u>

**NOTE "18.1" PURCHASE DETAILS**

Purchase 1%	128,090,021	68,786,736
Purchase 4%	96,584	152,182
Purchase 12.5%	57,926	37,199
Purchase Gas 4%	1,488,746	878,128
Purchase oil-15% MCC	82,795	55,973
Purchase Oil 4%	-	2,852
Purchase Packing Material 4%	1,908,410	401,322
Purchase Polishing Material 4%	3,456,630	203,434
Purchase Store & Spares 4%	1,822,705	733,888
Purchase Tax Free	44,840	-
Total	<u>137,048,657</u>	<u>71,251,714</u>

18.1.1 The company made presentation this year and the some heads like polishing material purchase, packing material purchase are presented as part of purchase this year as compared to shown as direct expenditure last year so in these heads there is a large variation.

Particulars	2015-16 Rs.	2014-15 Rs.
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**NOTE “ 19 “ PURCHASE OF STOCK IN TRADE**

Purchase of Traded Goods	-	5,524,379
Total	-	5,524,379

19.1 In case of immediate order and time crisis to complete the order the company directly purchases the finished goods and provide the same to the buyer.

**NOTE “ 20 “ CHANGES IN INVENTORIES OF FINISHED GOODS**

Inventories at the beginning of the year	3,269,180	-
Less : Inventories at the end of the year	8,261,920	3,269,180
Net (Increase) in inventories of Finished goods	(4,992,740)	(3,269,180)

20.1 Inventory includes the stock of the finished goods of SS pipes of different size lying with the company.

**NOTE “ 21 “ EMPLOYEES BENEFIT EXPENSES**

Salary Wages and Bonus	2,676,078	1,602,452
Contribution to Provident Fund	86,698	36,159
Staff Welfare Expenses	58,117	23,782
Total	2,820,893	1,662,393

**NOTE “ 22 “ FINANCE COST**

Interest expenses	4,947,038	4,274,251
Bank Charges	15,288	9,660
Loan processing Charges	61,935	89,997
Inspection charges	51,885	20,854
CGTMSE Charges	43,120	-
Mortgage Charges	-	140,000
Total	5,119,266	4,534,762

22.1 Interest expenditure includes the interest paid on availing the cash credit facilities of Rs. 21,03,222/- and Interest on term loan of Rs. 28,43,816/-

**NOTE “ 23 “ DEPRICIATION & AMORTISATION COST**

Depreciation (See note No. 9)	2,546,619	1,041,043
Total	2,546,619	1,041,043

23.1 Depreciation is calculated as per method given in schedule – II of the Companies Act 2013 on the straight line method on all assets. 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 Straighting 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.

Particulars	2015-16 Rs.	2014-15 Rs.
<b>NOTE " 24 " OTHER EXPENSES</b>		
Consumption of Store & Spares, Packing Material & Gas	38,381	10,710
Freight & Transport	2,529,663	1,496,210
Power & Fuel	2,576,091	1,190,360
Lease Rent	30,500	106,750
Repairs	108,753	100,835
Insurance	83,200	82,577
Factory expenses	121,184	74,956
Security Charges	35,000	92,810
Administrative Charges	966,257	993,330
Auditors Remuneration	20,000	7,000
Other Expenses	15,834	35,486
Books purchase	11,235	4,835
Credit rating exps	-	7,565
Interest to creditors	-	159,131
Catalogue Charges	-	40,000
New connection charges GEB	-	90,100
Total	6,536,098	4,492,655
24.1 Administrative expenditure includes		
Office Rent Exps	324000	648000
1% ITC Disallowed - OGS Sales	140000	40000
Mobile Bill Exps	69142	66661
Refreshment Exp	68248	38155
Consultancy Exp	36000	18500
Legal Fees	35580	58450
Office Exp.	35331	18849
Stationery, Printing & Xerox Exps	30677	29194
Conveyance Exp	29201	26345
Electricity Bill Exp.-Gnr	11110	10434
Courier Charges	8960	3725
Traveling Exp	5067	23209
Internet & Web Exp	1142	11808
Advertisement Exp	21000	-
Land Revenue Exp.	7045	-
Catalogue Charges	5250	-
Trademark Registration Fees	4000	-
Telephone Exp. LL	3578	-
Temple Exp.	1665	-
Foreign Tour Exp.	79240	-
Maintenance Charges	27121	-
ISO Exp. 22900	-	-
Total	9,66,257	9,93,330

**Note 25 : Other Notes forming part of balance sheet**

1. Previous year's figures are regrouped rearranged wherever necessary to make the data comparable.
2. As explained to us the company complied the liability for ESI/PF and explained that gratuity is not applicable to company.
3. 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.

4. The Company has not proposed any interim dividend for the financial year 2015-16.

**5. Auditors Remuneration:**

	2015-16 Rs.	2014-15 Rs.
For Statutory Audits	15000.00	3000.00
For taxation Matters	4000.00	3000.00
For Others	1000.00	1000.00
<b>Total Fees</b>	<b>20,000.00</b>	<b>7,000.00</b>

**6. Disclosure regarding Related Party Transaction :**

(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. 2,41,96,110/-	2,04,70,560/-	2,93,33,330/-
2.	% of share contribution	32.70%	27.66%	39.64%
3.	Rent/Lease Rent Exp.	3,24,00/-	30,500/-	NIL
4.	Remuneration Exp.	NIL	NIL	NIL
5.	Interest Exp.	NIL	NIL	NIL
6.	Factory Land	NIL	28,00,000/-	NIL

**(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. It has Naitik Infrastructure Pvt. Ltd., SNB Corporation Pvt. Ltd., OM Developer, OM Associates, OM Consultancy, B K Chavda ( HUF ) are associates concerns.

(IV) Key Management Personnel :

Surendrasinh P. Vaghela	–	Director
Saurabh R. Patel	–	Director
Bharatkumar P. Patel	–	Director
Beena P. Vaghela	–	Director
Ritendrasinh Rathod	–	Company Secretary

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

**Chartered Accountants**

**sd/-**

**( Prati Rajsinh R. Raulji )  
Partner**

**Mem. No. 149089  
FRN No. 134692W**

**Place : Gandhinagar**

**Date : 25/05/2016**

**For & On behalf of the Board of Directors**

**Umiya Tubes Ltd.**

**sd/-**

**(Beena P. Vaghela)**  
Chair Person  
(DIN : 03577571)

**sd/-**

**(Saurabh R. Patel)**  
Chief Financial Officer  
(DIN : 06562786)

**sd/-**

**(Ritendrasinh Rathod)**  
Company Secretary

**Place : Gandhinagar  
Date : 25/05/2016**

**sd/-**

**(Surendrasinh P. Vaghela)**  
Managing Director  
(DIN : 03577571)

**sd/-**

**(Bharat P. Patel)**  
Whole Time Director  
(DIN : 06562786)

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED ON 31<sup>ST</sup> MARCH 2016

Amount in Rs.

Particulars	2015-16	2014-15
<b>1 Cash Flow From Operating Activities</b>		
Net Profit before taxation and extra ordinary items	4,906,611	370,599
<b>Adjustment for :</b>		
<b>Extra Ordinary Items</b>	-	(255,200)
Depreciation & Amortisation cost	2,546,619	1,041,043
Interest exps	5,119,266	4,534,762
Provision for audit Fees	-	-
<b>Operating Profit before working capital changes</b>	<b>12,572,496</b>	<b>5,691,204</b>
Decrease (Increase) in Trade Receivables	(38,001,850)	(39,808,270)
Decrease (Increase) in Inventories	(8,747,466)	(5,386,873)
Decrease (Increase) in Short Term Loan & Advances	(215,516)	319,030
Decrease (Increase) in Other Current Assets	(1,531,801)	726,830
Increase (Decrease) in Trade Payable	43,136,033	14,819,473
Increase (Decrease) in other current liabilities	(551,090)	998,934
Increase (Decrease) in Short term Provisions	644,341	430,619
Increase in Misc Expenditure	(3,958,908)	-
<b>Cash Generated from operations</b>	<b>3,346,239</b>	<b>(22,209,053)</b>
Income Taxes Paid	-	-
<b>Cash flow before extra ordinary items</b>	<b>3,346,239</b>	<b>(22,209,053)</b>
Cash flow from extra ordinary items	-	-
<b>Net Cash flow from operating activities</b>	<b>3,346,239</b>	<b>(22,209,053)</b>
<b>2 Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(21,504,026)	(6,490,827)
Capital Subsidy Received	-	1,500,000
Interest Received	-	-
Dividend Received	-	-
<b>Net Cash From Investing Activities</b>	<b>(21,504,026)</b>	<b>(4,990,827)</b>
<b>3 Cash Flow From Financing Activities</b>		
Proceeds From Issue Of Share Capital	66,500,000	3,500,000
Proceeds From Short Term Borrowings	(3,413,259)	18,839,882
Proceeds from Long Term Borrowings	(19,753,816)	10,603,711
Interest Paid	(5,119,266)	(4,534,762)
Dividend Paid	-	-
<b>Net Cash Issued in financing activities</b>	<b>38,213,659</b>	<b>28,408,831</b>
<b>Net Increase in cash and cash equivalents</b>	<b>20,055,872</b>	<b>1,208,951</b>
Cash & cash equivalents at the beginning of the period	2,032,670	823,719
<b>Cash &amp; cash equivalents at the end of the period</b>	<b>22,088,542</b>	<b>2,032,670</b>

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

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

Place : Gandhinagar  
Date : 25/05/2016

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

sd/-  
(Beena P. Vaghela)  
Chair Person  
(DIN : 03577571)

sd/-  
(Saurabh R. Patel)  
Chief Financial Officer  
(DIN : 06562786)

sd/-  
(Ritendrasinh Rathod)  
Company Secretary  
Place : Gandhinagar  
Date : 25/05/2016

sd/-  
(Surendrasinh P. Vaghela)  
Managing Director  
(DIN : 03577571)

sd/-  
(Bharat P. Patel)  
Whole Time Director  
(DIN : 06562786)



**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]

<b>CIN</b>	L28112GJ2013PLC074916
<b>Name of the Company</b>	UMIYA TUBES LIMITED
<b>Registered office</b>	208, 2 <sup>nd</sup> Floor, Suman Tower, Sector -11, Gandhinagar - 382011

<b>Name of the member (s)</b>	
<b>Registered address</b>	
<b>E-mail Id</b>	
<b>Folio No/ Client Id</b>	
<b>DP ID</b>	

I/We, being the member (s) of Umiya Tubes Limited, holding \_\_\_\_\_ shares hereby appoint

<b>1. Name</b>	
<b>Address</b>	
<b>E-mail Id</b>	
<b>Signature</b>	

Or Failing him,

<b>2. Name</b>	
<b>Address</b>	
<b>E-mail Id</b>	
<b>Signature</b>	

Or Failing him,

<b>3. Name</b>	
<b>Address</b>	
<b>E-mail Id</b>	
<b>Signature</b>	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 3<sup>rd</sup> Annual General Meeting of the Company, to be held on the 29<sup>th</sup> day of September, 2016 at 12 Noon at 208, 2<sup>nd</sup> Floor, Suman Tower, Sector - 11, Gandhinagar - 382011 and at any adjournment thereof in respect of such resolutions as are indicated below:

**P.T.O.**

Resolution No.	Resolution
<b>Ordinary Business</b>	
1	To receive and adopt Audited Balance Sheet as at 31 <sup>st</sup> March, 2016 and the Profit and Loss Statement for the year ended on that date together with all annexure and attachment thereto including the Auditor's report and the Directors' Report thereon.
2	To appoint a Director in place of Mr. Surendrasinh P Vaghela (DIN: 06415080), who retires by rotation and being eligible, offers himself for re appointment.
3	To appoint P. Singhvi & Associates as Statutory Auditors in place of M/s Pratirajsinh Raulji & Co., Chartered Accountant and to fix their remuneration.

Signed this..... day of..... 2016

Signature of shareholder:

Affix  
Revenue  
Stamp

Signature of Proxy holder(s):

Note:

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.



**UMIYA TUBES LIMITED**

(CIN: L28112GJ2013PLC074916)

Registered Office: 208, 2<sup>nd</sup> Floor, Suman Tower, Sector - 11, Gandhinagar - 382011

DP ID	Client ID	Folio No.	No. of shares held

**ATTENDANCE SLIP**

3<sup>rd</sup> Annual General Meeting

at the Registered Office: 208, 2<sup>nd</sup> Floor, Suman Tower, Sector - 11, Gandhinagar - 382011

Name of the attending Member/Proxy (In block letters) :

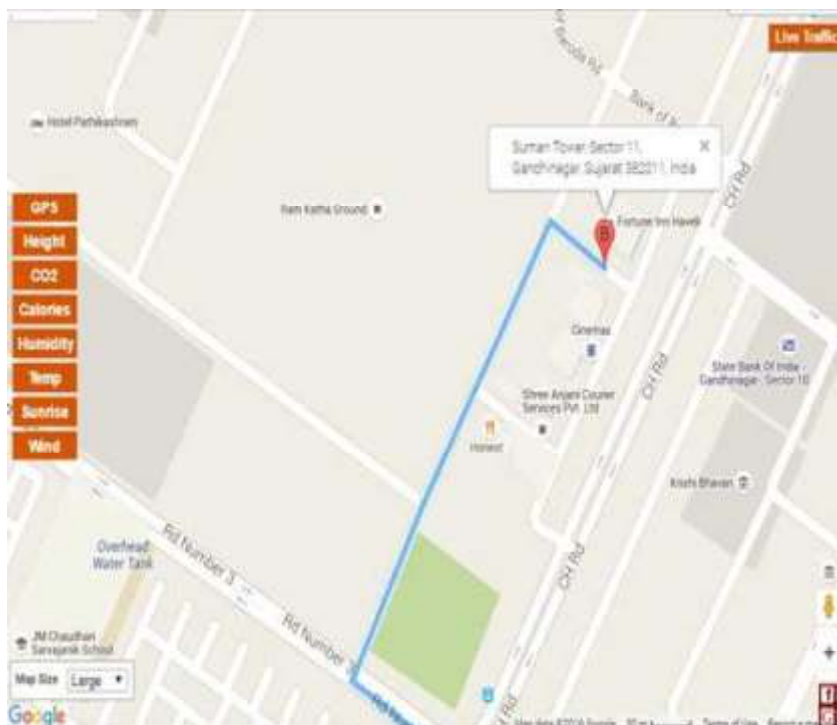
I hereby record my presence at the Annual General Meeting held at on 29<sup>th</sup> September, 2016 at 12.00 Noon.

\_\_\_\_\_  
Member's / Proxy's Signature

Notes :

1. Please bring this attendance slip to the meeting and handover at the entrance duly filled in.
2. Members are requested to bring copy of Annual Report with them.

**Route Map for AGM Venue**



Book-Post

To,

If undelivered, please return to :

**UMIYA TUBES LIMITED**

(CIN: L28112GJ2013PLC074916)

Registered Office: 208, 2<sup>nd</sup> Floor, Suman Tower,  
Sector - 11, Gandhinagar - 382011